

Big problem for fund managers: liking Apple too much

REUTERS, New York

At more than 15 percent of his fund's assets, John Burnham, manager of the \$136 million Burnham Fund, has a larger stake in Apple Inc than any other diversified fund.

"I think they are doing everything right and it's still a cheap stock based on earnings and revenue," he says.

Yet that devotion for Apple is a problem for Burnham and some other managers of so-called diversified funds like his - they want more Apple than they can buy under self-imposed risk-reducing guidelines that typically have them holding no more than 5 percent of their assets in any one company.

Burnham and the 174 fund managers like him who hold large stakes of their diversified portfolios in Apple are pulled in two directions: hoping to prevent an unforeseen drop in Apple shares from upending their portfolios, while also benefiting from a company whose shares are up 12 percent this year so far.

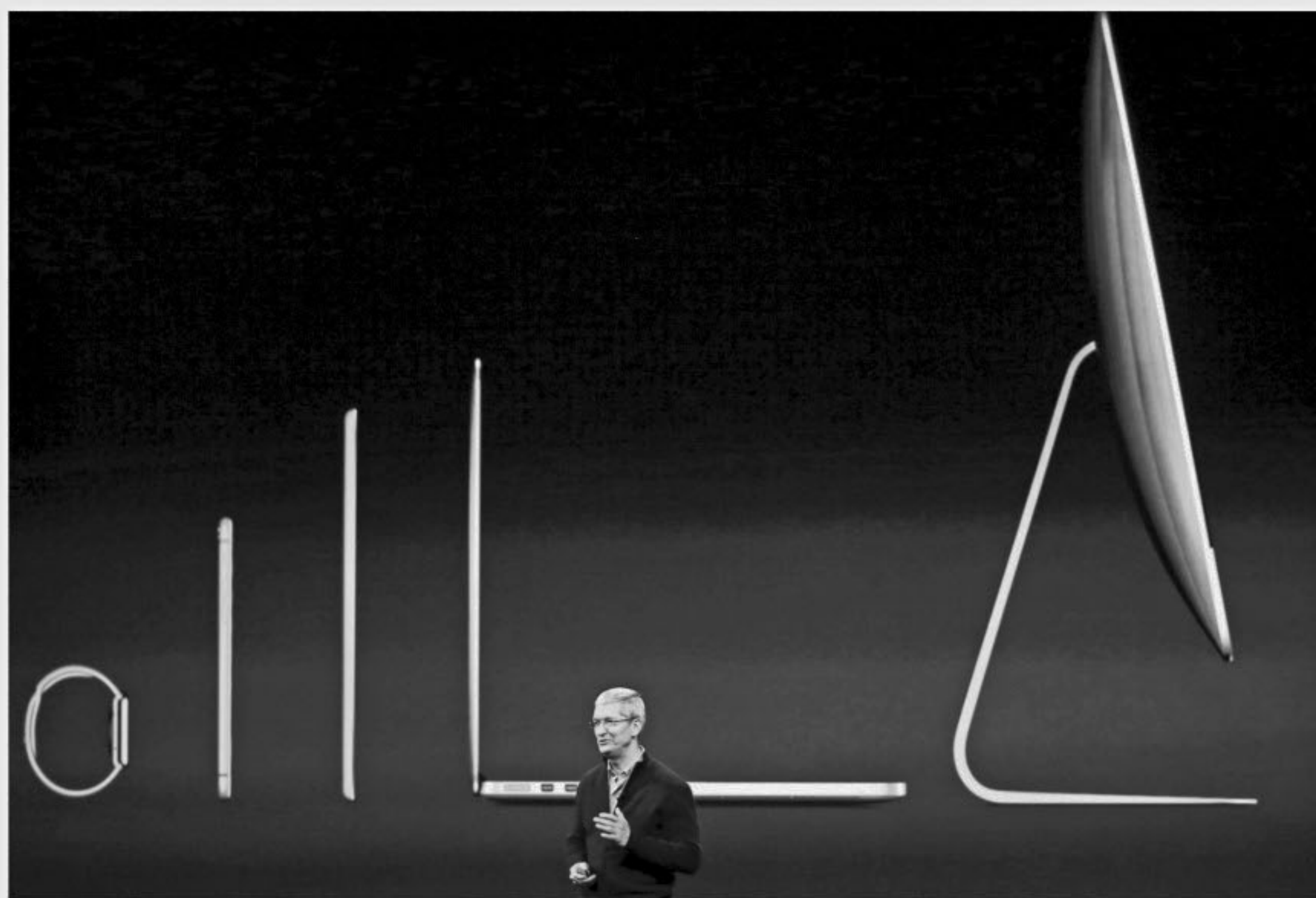
"Your positioning in Apple may hold a big sway in how your fund does overall, particularly in categories like large blend where every basis point counts," said Laura Lutton, who oversees equity fund research at fund tracker Morningstar.

In 2014, for instance, funds that underweighted Apple compared to broad market indexes were the most likely to underperform their peers, she said.

Holding a concentrated position in one company is one way for stockpickers to stand out as investors move money to passive index funds. Yet it is unusual for diversified funds like Burnham's to hold more than 10 percent of their portfolios in one company, said Todd Rosenbluth, director of mutual fund research at S&P Capital IQ.

"Investors may not realize that their fund manager is taking on a higher amount of risk," he said.

Most fund managers are



Apple CEO Tim Cook speaks about the company's computers at an event in San Francisco on March 9.

inclined to take profits when a stock hits 7 percent of a portfolio, yet there are few set mandates set down by fund firms, Rosenbluth said. He said that he can't think of any fund families that have to sell if holdings exceed guidelines as a result of appreciation.

Diversified mutual funds are allowed by law to add shares of a company as long as its total weight is below 24.9 percent of their portfolios overall, but do not have to sell shares if they appreciate above that level, said Jay Baris, an attorney at Morrison & Foerster in New York.

Burnham didn't set out to have such a big stake in Apple, he said. He began buying shares in 2005 when they traded at a split-adjusted level of less than \$7 each. Those shares have now appreciated over 2,000 percent.

"It's the world's greatest company. I just don't see any reason to sell it," Burnham said, adding that he thinks that the stock should

trade above \$200 a share. Shares of the company closed at \$123.59 on Friday.

His big weighting in the company is also helping his performance, which may in turn bring in more investor dollars. Burnham's fund, which also has significant positions in Chipotle Mexican Grill and Williams Companies Inc, is up 4.8 percent for the year to date, according to Lipper, a return about 4 percentage points better than the S&P 500.

Over the last 5 years, the fund has returned an average of 14.3 percent a year, a performance slightly better than average large cap fund. The fund costs \$1.36 per \$100 invested, a rate slightly above average.

Other fund managers with large stakes in Apple who aren't selling say that they didn't set out to have an oversized position in the company.

David Chiueh, the manager of the Upright Growth fund, has 13.4

percent in Apple, the second-largest among diversified funds tracked by Lipper, mostly because shares he bought in 2008 have appreciated, he said. The BlackRock Science and Technology Opportunities Portfolio, the third-largest Apple holder, has an underweight position according to the fund's chosen benchmark, the MSCI World Information Technology index, a company spokeswoman said.

Other large holders of Apple have started to trim their positions. Mark Mulholland, whose Matthew 25 fund is classified as a non-diversified fund, has 15.3 percent of his portfolio's assets in Apple.

He expects to trim the position down to 10 percent of his portfolio, in part because the company's shares do not look as attractive on a valuation basis, he said.

"It's not a company under duress by any means, but it's not trading at as big as a discount as it was before," Mulholland said.

Southeast Asia attracts more foreign direct investment than China

REUTERS, Jakarta

Southeast Asia's major economies drew more foreign direct investment combined than China for the second straight year in 2014, as growth in their giant neighbour cooled. But by country, inflows into the region were uneven, swayed by political change and the varying costs of doing business.

Overall FDI into Singapore, Indonesia, Malaysia, the Philippines, Thailand and Vietnam rose to a record \$128 billion in 2014, estimates compiled by Thomson Reuters show. That surpassed the \$119.56 billion that flowed into China. FDI into the Philippines grew the fastest, at 66 percent, while in Thailand, where the military seized power last year, inflows fell. FDI into Indonesia, the region's biggest economy, rose around 10 percent even though it was an election year.

As China's troubled manufacturing sector loses momentum, Chinese businesses will be venturing abroad to cut operating costs and to search for new markets, economists say. Manufacturing powerhouses in Southeast Asia should pay heed.

"Rising wages in China are leading low-


end manufacturers to look for other low-cost locations for their factories, with countries like Vietnam and the Philippines looking like attractive alternatives," said Dan Martin, Asia Economist at Capital Economics. "Asean is also a large market in its own right, and one with good long-term growth prospects. Given the general slow-down in other emerging market regions in recent years, it is starting to stand out."

The Philippines, the second-fastest growing major economy in Asia, attracts investors with its strong economic fundamentals. But one concern is the continuity of economic policies following the 2016 general elections. That means some investment decisions might be postponed. Slumping commodity prices could pinch on FDI inflows into resource-rich Indonesia and, to a lesser extent, Malaysia.

Indonesian President Joko Widodo, who took office in October, is seeking more foreign investment in manufacturing to counter the volatile resources sector. But Indonesia has many improvements to make, particularly in its business infrastructure, to successfully challenge the region's manufacturing leader - Thailand.



Begum Akhter Jahan, a lawmaker, opens the 377th branch of Rajshahi Krishi Unnayan Bank (Rakub) at Daokandi in Durgapur, Rajshahi yesterday. Md Abdul Wadud Dara, a lawmaker, and M Shah Nowaz Ali, chairman of Rakub, were also present.



Export Promotion Bureau

TCB Building
1, Kawran Bazar (4th Floor), Dhaka-1215.

Memo No. 26.02.0000.007.07.121.11.330 Date: 15-03-2015

Invitation for Tender

1.	Ministry/Division	: Ministry of Commerce
2.	Agency	: Export Promotion Bureau
3.	Procuring Entity Name	: Export Promotion Bureau headed by Vice-Chairman
4.	Procuring Entity District	: Dhaka, Bangladesh.
5.	Invitation For	: Procurement of One Microbus (15 Seater)
6.	Invitation Ref No.	: 26.02.0000.007.07.121.11.330
7.	Date	: 15/03/2015

KEY INFORMATION

8.	Procurement Method	: Open Tendering Method (National)
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FUNDING INFORMATION

9.	Budget and Source of Funds	: Self-Financed by EPB
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PARTICULAR INFORMATION

10.	Tender publication date(Tentative)	: 16/03/2015
11.	Last selling date of Tender Schedule	: 13/04/2015 during office hour
12.	Tender Closing Date & Time	: 15/04/2015 at 14:00hrs
13.	Tender opening date and time	: 15/04/2015 at 15:00hrs
14.	Name & address of the office	: Export Promotion Bureau TCB Building, 1 Kawran Bazar (4 th Floor), Dhaka-1215
15.	- Selling tender document (principal)	: Finance & Accounts Section, Export Promotion Bureau, Dhaka.
16.	- Selling tender document (others)	: Nil
17.	- Receiving tender document	: Export Promotion Bureau TCB Building, 1 Kawran Bazar (4 th Floor), Dhaka-1215
18.	- Opening tender document	: -Do-
	- Place/date/time of pre-tender meeting	: Optional

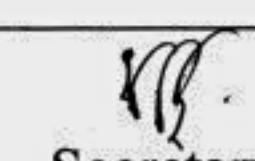
INFORMATION FOR TENDERER

19.	Eligibility of tenderer	: Well-reputed and financially solvent Tenderers (authorized agents/distributors) having office establishment, repairing workshop, manpower, logistic support, stock position, good performance, qualification and past experience of supplying new and quality vehicles to the Government sectors within the assigned time.
20.	Brief description of goods or works	: Supply of One Microbus (15 Seater).
21.	Brief description of related services	: As stipulated in the Tender Document/Schedule
22.	Tender document price	: Tk.1,000(One Thousand) only(Non-Refundable)

23.	Lot No.	Identification of lot	Location	Tender Security	Completion time in weeks/months
	1	Procurement of One 15 Seater Microbus for Official use of Export Promotion Bureau.	Dhaka	Tk. 1,20,000/-	2 Weeks from the date of issuance of Supply Order/Signing of Contract.

PROCURING ENTITY DETAILS

24.	Name of official inviting tender	: Dr. A F M Anzur Kadir
25.	Designation of official inviting tender	: Secretary, Export Promotion Bureau
26.	Address of official inviting tender	: Export Promotion Bureau, TCB Building, 1, Kawran Bazar (4 th Floor), Dhaka-1215
27.	Contact details of official inviting tender	: Secretary, EPB. Phone: 55013420, PABX: 9144822-24 (Ext: 114)
28.	The procuring entity reserves the right to accept or reject any/all tenders.	



Secretary
Export Promotion Bureau

GD-1013

India wholesale prices drop 2.06pc in Feb

AFP, Mumbai

India's wholesale inflation fell a sharper-than-expected 2.06 percent in February, the fourth straight drop, as global oil prices sit at multi-year lows, data showed Monday.


The fall in the Wholesale Price Index (WPI), the inflation measure with the biggest basket of goods, was greater than a 0.8 percent drop predicted by a Bloomberg survey and will fuel talk of another interest rate cut.

Prime Minister Narendra Modi's right-wing government had earlier revised the November fall in WPI inflation to 0.17 percent.

The latest figures show food and fuel prices dropped in February, good news for millions of Indians living in chronic poverty who are badly affected by any sharp changes in both categories.

"My sense is that the Reserve Bank of India (RBI) will take this chance and cut 25 basis points in April," said Ashutosh Datar, economist at IIFL Institutional Equities in Mumbai.

The RBI has made two unscheduled cuts this year on easing inflation in a bid to boost business borrowing and assist growth of Asia's third largest economy.



পাওয়ার গ্রীড কোম্পানী অব বাংলাদেশ লিঃ

POWER GRID COMPANY OF BANGLADESH LTD.

(An Enterprise of Bangladesh Power Development Board)
Institution of Engineers Bangladesh (IEB) Bhaban New Bhaban (4th floor) 8/A, Ramna, Dhaka-1000.

ISO 9001:2008 CERTIFIED

Web: www.pgcb.org.bd
Date: March 15, 2015

IFB No. 01/PGCB/Sec(SSD&QC)/2015/1568

INVITATION FOR BIDS

Procurement of Plant Design, Supply and Installation of Package 3: 132/33kV Substations at Bhaluka, Mymensingh, Baroirhat and Ramganj on Turnkey Basis

Loan Agreement No: BD-P70
Reference Identification No: PGCB/JICA/BD-P70/P3
Deadline for submission of Bid: May 04, 2015

- The Government of the People's Republic of Bangladesh has received a loan from Japan International Cooperation Agency (JICA) toward the cost of National Power Transmission Network Development Project. It is intended that part of the proceeds of this loan will be applied to eligible payments under the National Power Transmission Network Development Project.
- Bidding will be conducted through procedures in accordance with the applicable Guidelines for Procurement under Japanese ODA Loans, and is open to all Bidders from eligible source countries, as defined in the Loan Agreement.
- The Power Grid Company of Bangladesh Limited now invites sealed Bids from eligible Bidders for Package 3: "Plant Design, Supply and Installation of 132/33kV Substations at Bhaluka, Mymensingh, Baroirhat and Ramganj on Turnkey Basis". International Competitive Bidding will be conducted in accordance with JICA's Single Stage Two Envelop Bidding Procedure.
- Interested eligible Bidders may obtain further information from and inspect the Bidding Documents at the head office of the Power Grid Company of Bangladesh Limited (PGCB), Institution of Engineers Bangladesh (IEB) Bhaban (4th floor), 8/A Ramna, Dhaka-1000; E-mail: se-design@pgcb.org.bd or Web: www.pgcb.org.bd.
- A complete set of the Bidding Documents may be purchased by interested Bidders on the submission of a written application to the address above and upon payment of a non-refundable fee of US\$ 270.00 (US Dollar two hundred seventy only) or Bangladesh Taka 20,000.00 (Taka twenty thousand only) in the form of Pay Order/Demand Draft in favor of the Power Grid Company of Bangladesh Ltd.. The Bidding Document may be sent through a courier for an additional fee of Bangladesh Taka 1,000.00 (local delivery) or US\$ 120.00 (International delivery) in the form of Pay Order/Demand Draft in favour of Power Grid Company of Bangladesh Ltd.
- Bids must be delivered to the abovementioned address on or before 11.00AM (Bangladesh Standard Time) on May 04, 2015 and must be accompanied by a Bid Security of US\$ 423,000.00 (US Dollar Four hundred twenty three thousand) only.
- Bids will be opened at 11.05AM (Bangladesh Standard Time) on May 04, 2015 at the head office of the Power Grid Company of Bangladesh Limited (PGCB), Institution of Engineers Bangladesh (IEB) Bhaban (4th floor), Ramna, Dhaka-1000 in the presence of Bidders' representatives who choose to attend.

(Md. Ashraf Hossain)
Company Secretary