

# Cheap eurozone takeaway fuels Chinese appetites



A citizen cycles past the headquarters of the China National Petroleum Corporation in Beijing.

AFP, Beijing

The inexorable decline of the single currency offers ambitious Chinese firms a bargain buffet of eurozone business, analysts say, with this weekend's multibillion deal for Italian tyre maker Pirelli only the latest course in an acquisition binge.

Less than a year ago the euro was worth nearly \$1.40 on international markets. Earlier this month it stood at less than \$1.05, down by a quarter as the European Central Bank embarks on a massive stimulus programme while the US Federal Reserve is widely expected to start raising interest rates.

By the standards of first-world forex markets it ranks as a collapse.

It has recorded a similar performance against China's yuan currency, falling from almost 8.7 yuan in May to bottom at less than 6.6 yuan. The yuan trades in a tight range against the dollar.

As the unit weakens it makes eurozone acquisitions cheaper for outside buyers and its biggest headline impact may come in terms of Chinese overseas investment, which surged past \$100 billion in the first time last year. "For Chinese going into Europe it can't get better than this," said Joerg Wuttke, president of the European Union Chamber of Commerce in China (EUCCC).

"Chinese companies are eager to go outside China as its own domestic economy is slowing down," he told AFP, adding that profit margins in the rest of the world are higher than in China, according to EUCCC member surveys.

"So I can only expect a major push from Chinese companies to buy into

the European company landscape."

The latest deal came with state-owned chemical giant ChemChina agreeing to buy out the largest shareholder in Pirelli, valuing the purveyor of Formula One accessories and racy calendars at just over seven billion euros -- now about 48 billion yuan, or 13 billion yuan less than in May.

The euro has flirted with parity against the dollar in recent weeks -- for the first time since 2002 -- and while the euro rose to \$1.0964 on Tuesday it remained within striking distance of more-than-dozen-year lows.

China's overseas direct investment pushed sharply higher in February, the commerce ministry said, driven by oil giant China National Petroleum Corp putting nearly \$3 billion into a Dutch transaction.

"The continued slumps in the euro's value against the dollar have led the price of eurozone assets to fall, creating an opportunity for Chinese companies to invest and carry out mergers and acquisitions there," said commerce ministry spokesman Shen Danyang.

Beijing has accrued the world's biggest foreign exchange reserves and has been running record monthly trade surpluses, with the state-run China Daily newspaper saying in an editorial the country "is itching to invest overseas". Private companies are also taking a seat at the table, with billionaire Wang Jianlin buying 20 percent of Spanish league champions Atletico Madrid in January, the first mainland Chinese investment in a top European football club.

Conglomerate Fosun declared victory in February in its long takeover

battle for French holiday resorts group Club Med, having repeatedly raised its offer to 939 million euros.

Klaus E. Meyer, a professor at the China Europe International Business School in Shanghai, said Chinese investing abroad generally take a long-term view and are driven by acquiring technology or brands they can exploit domestically. "The fact that assets in Europe are now cheaper because of the weaker euro means that this sort of asset-seeking foreign investment is likely to increase," he said.

The Pirelli deal was met with dismay but resignation in Italy, and Derek Scissors of the Washington-based American Enterprise Institute said that given its economic travails, the eurozone will not look askance on inflows from China. "Most Chinese companies are now sophisticated enough to back off of outright acquisitions when there is political sensitivity, buying smaller stakes in high-profile companies," he added.

Chinese firms may also already be taking advantage of the weaker euro to raise cheaper capital overseas.

Four China-based non-financial companies issued the equivalent of \$2.8 billion in euro-dominated bonds in January and February, according to Dealogic data, more than the \$1.9 billion raised in the whole of 2014.

Nonetheless the consequences of the euro's decline are not all one-way.

The 28-member EU is China's biggest trade partner while China is the EU's second-largest, and China ran a surplus of \$126.63 billion last year with the full group, nine of whose members do not use the single currency.

# Spain's BBVA denies credit line to bail Sahara boss

REUTERS, Madrid

Spain's BBVA SA denied having any credit exposure to Indian conglomerate Sahara, just days after the group told a court it had a line of credit from the bank to secure bail for its jailed boss.

Subrata Roy has been held in jail for more than a year after Sahara failed to comply with a court order to refund billions of dollars to investors in a bond programme that was ruled illegal. Sahara has made several failed attempts to raise the bail money.

The court has set Roy's bail at \$1.6 billion, a product of the cost of the bond programme, estimated by regulators to be as much as \$7 billion. Sahara has said it has paid most of the dues to the bondholders. India's markets regulator disputes that.

On Monday, the Supreme Court of India gave Sahara three more months to raise bail after the company told the court it had received a line of credit worth 900 million euros (\$983 million) from BBVA.

The company told the court it planned to use the loan from BBVA to replace a loan from Bank of China tied to its three overseas hotels, which include New York's Plaza hotel and Grosvenor House in London. Sahara has an outstanding debt of \$852 million from the Chinese bank, the company lawyer told the court.

"We have no credit exposure or any relation with Sahara," a spokesman for BBVA said.

A senior executive at BBVA separately told Reuters on condition of anonymity that the bank was never in talks with Sahara for a loan and that the mention of its name in the court proceedings was a "surprise".



Khurshid Irfan Chowdhury, executive director of Transcom Beverages, and Mahtab Uddin Ahmed, Robi's chief operating officer, sign an agreement at Robi's corporate office in Dhaka on Tuesday. Robi subscribers can get Tk 60 worth of Pepsi, 7 Up or Mirinda with every purchase of Tk 199 recharge in scratch-cards during the campaign by presenting used scratch-cards to the nearest outlets selling Transcom's beverages.



Brac Bank recently organised a mock branch training programme at the bank's Asad Gate branch in the capital. The programme was organised to help the staff of the bank provide better customer service at branches.



Major General Md Jahangir Hossain Mollik, director general of Bangladesh Drug Administration Directorate, and KSM Mostafizur Rahman, managing director of One Pharma, have recently visited the newly built factories of One Pharma in Bogra.

**Government of the People's Republic of Bangladesh**  
**Ministry of Home Affairs**  
**National Telecommunication Monitoring Center (NTMC)**  
**HQ DGFI, Dhaka Cantonment, Dhaka.**

**2<sup>nd</sup> Time**

44.10.0000.001.09.030.15/318 Dated: 23 March 2015

**Invitation for Re-Tender**

1.	Ministry/Division	Ministry of Home Affairs.				
2.	Agency	National Telecommunication Monitoring Center (NTMC).				
3.	Procuring Entity Name	Director, National Telecommunication Monitoring Center (NTMC).				
4.	Procuring Entity District	Dhaka, Bangladesh.				
5.	Invitation For	Tender for procurement of Furniture.				
6.	Invitation Ref No	44.10.0000.001.09.030.15/ 318				
7.	Date	23 March 2015.				
8.	Procurement Method	Open Tendering Method (OTM).				
9.	Budget and Source of Funds	Revenue Budget 2014-2015, GOB.				
10.	Budget Code	6821.				
11.	Tender Package Name	Procurement of Furniture for NTMC's Officer and Administrative Offices.				
12.	Tender Publication Date	25 March 2015.				
13.	Tender Schedule Last Selling Date	05 April 2015 up to 1430 hrs.				
14.	Tender Closing Date and Time	06 April 2015. 12:00 hrs.				
15.	Tender Opening Date and Time	06 April 2015. 12:30 hrs.				
16.	Name & Addresses of the Office	National Telecommunication Monitoring Center (NTMC), HQ DGFI (7 <sup>th</sup> Floor), Dhaka Cantonment, Dhaka-1206.				
	Selling Tender Documents of the Office					
	Receiving Tender Documents of the Office					
	Opening Tender Documents of the Office					
17.	Pre-Tender Meeting (Optional)	N/A				
18.	Eligibility of Tenderer	Tenderer must be Bangladeshi and minimum 03 (Three) years experience on supply of Furniture.				
19.	Brief Description of Goods or Works	As per Tender Schedule.				
20.	Brief Description of Related Services	01 (One) year warranty.				
21.	Lot No	Identification of Lot	Location	Price of Tender Document (Tk)	Tender Security Amount (Tk)	Delivery Time in days/months
	1.	Furniture (08 Line Item)	Dhaka	500/- (Five hundred) Non-Refundable	2.5% of Quoted Price	28 days (From ready stock on within 15 days from the date of work order)
22.	Supply Place of Goods	National Telecommunication Monitoring Center (NTMC), HQ DGFI (7 <sup>th</sup> Floor), Dhaka Cantonment, Dhaka-1206.				
23.	Special Instruction (if any)	N/A				
24.	Name of Official Inviting Tender	Brigadier General Ibne Fazal Shayekhuzzaman, afwc, psc.				
25.	Designation of Official Inviting Tender	Director, National Telecommunication Monitoring Center (NTMC).				
26.	Address of Official Inviting Tender	National Telecommunication Monitoring Center (NTMC) HQ DGFI (7 <sup>th</sup> Floor), Dhaka Cantonment, Dhaka-1206.				
27.	Contact Details of Official	Phone: 02-9836022, Mobile: 01712024411				
28.	The procuring entity reserves the right to accept or reject any or all tenders full or partially, without assigning any reason whatsoever.					

**IBNE FAZAL SHAYEKHUZZAMAN**  
Brigadier General  
DIRECTOR, NTMC

GD-1107

## ESSENTIAL DRUGS COMPANY LIMITED

395-397, Tejgaon Industrial Area, Dhaka- 1208.

### CAREER OPPORTUNITY

**Essential Drugs Company Limited (EDCL) a 100% state owned Pharmaceuticals Industry will recruit the following positions in its Gopalgonj Project:**

Sl. No	Posts	Qualification	Experience, Other qualities & Age Limit
01.	Deputy Manager, Engineering (Civil)	Post Graduate/ Graduation Degree in 04 years in Civil Engineering.	01. Minimum 08 (Eight) Years Experience in construction (RCC & Steel structure) works in any renowned Pharmaceutical Industries/others organisation in relevant field. 02. Conversant with the latest Engineering and technological development in the relevant field. 03. Computer literacy of the candidate is essential. 04. Minimum age limit 33 years.
02.	Sub Assistant Engineering (Civil)	Diploma Engineering (Civil)	01. Minimum experience is 08 years. Experience in the relevant field of construction work. 02. Computer literacy of the candidate is essential. 03. Minimum age limit 30 years.

Please send the applications to the following address with complete CV, copies of attested relevant certificates and three copies of recent passport size colour photograph on or before 12.04.2015.

Only short listed candidates will be called for interview.

**General Manager (Admin. & HRM)**  
Essential Drugs Company Ltd.  
395-397, Tejgaon I/A, Dhaka-1208.