

# New StanChart boss faces cash call, dividend squeeze

REUTERS, London

Standard Chartered's incoming Chief Executive Bill Winters is expected to raise capital and cut the bank's dividend later this year, potentially forced to act by a tough stress test of its Asian loans, investors and analysts said.

Few believe the ex-JPMorgan rainmaker will miss the chance to bolster the balance sheet during his honeymoon at the Asian-focused lender, especially as Britain's Prudential Regulation Authority plans a fresh assessment on how shock-proof banks have become since the financial crisis.

The bank has already outlined ambitions to raise a key measure of its capital strength by the end of this year and Winters is expected to sound out investors on further capital raising plans after he takes the reins on June 10.

If he chooses not to raise capital, he could find his strategic choices cramped for at least two years and profits have already shown the strain of trying to "muddle through", analysts said.

"The approach we think that would protect medium term shareholder value best would be to take decisive action by raising capital up front, followed by balance sheet and business restructuring and a return to growth in the ongoing core bank," said Jason Napier, banking analyst at Deutsche Bank.

Napier estimated the bank needs to raise \$5.25 billion.

"Given the choice, a highly regarded new chief executive would probably always plump for the budget to accelerate balance sheet growth and restructure the business as rapidly as the organisation can stand, and write down any existing assets that might be in doubt," he said.

This year's PRA "stress test" could hurt Standard Chartered as Asian exposures, a mainstay of its balance sheet, will be tested hard over a 5 year scenario.

The test will include a sharp slowdown in China's growth, deep recession in Hong Kong, a plunge in commodities prices and currencies and losses from trading book positions.

Several analysts and investors said the bank needed between \$5 billion and \$10 billion to get its common equity Tier 1 ratio (CET1) to the 12-13 percent shareholders expect.

Its ratio was 10.7 percent at the end of last year, and Standard Chartered said it has plans in place to lift this to at least 11 percent by the end of this year.

"\$5 billion sounds sensible - the CET1 needs to head to 13 percent over time and with some provision top-ups and restructuring charges, you could easily make a case for \$5 billion," said one shareholder, who asked not to be named.

"The PRA stress tests this year may also add impetus to raise as it will be more rigorous than last time on emerging markets," he said.

Jefferies analyst Joe Dickerson said the capital position was "a cause for concern" for investors and estimated the bank needs \$8.8 billion in capital, while Investec analyst Ian Gordon estimated the capital need at \$4.5-\$7.5 billion.

Winters could provide a clear indication of strategy alongside half-year results in early August, but he may not set out his full plans until later in the autumn, one banking industry source suggested.

The bank had a \$5.2 billion rights issue in 2010, but its capital advantage over most peers has been wiped out since.

Winters could deploy less dramatic options to avoid a lengthy and complex rights issue, including cost cuts and simplifying the bank's structure by exiting some countries.

The bank is cutting assets by \$25-30 billion on a risk-adjusted basis, or one-tenth of its balance sheet.

Winters could supplement that by raising up to \$3 billion from a quick-fire share sale to institutional investors, which would follow a \$1 billion cash saving after investors opted to take its last dividend in shares. But that meant 69 million new shares were issued - effectively a mini rights issue.

Hugh Young, managing director of Aberdeen Asset Management Asia, the bank's second largest shareholder, said he was "ambivalent" about the need for a cash call, and said having lots of capital stashed away would



Zakia Rouf Chowdhury, executive vice chairperson of Ranks Motors Workshop Ltd; Sohana Rouf Chowdhury, managing director; Anurag Vohra, vice president of international business at VE Commercial Vehicles; Sanjeev Mahajan, vice president; Aman Arora, head of sales, international business; and Kaushik Battacharya, head of after-market, international business; attend the launch of the Mirpur branch of Ranks Motors in the capital recently.

# India seen cutting rates for third time this year

REUTERS, Mumbai

The Reserve Bank of India is set to cut interest rates on Tuesday for the third time this year as inflation has eased enough to allow the central bank to provide more help for an economy seen struggling with patchy economic growth.

India is the fastest-growing major economy in the world, outstripping China, but economists say the data is not consistent with other indicators showing slack in Asia's third largest economy. A Reuters poll showed 35 of 48 economists expected the RBI to cut the repo lending rate by a quarter percentage point to 7.25 percent after lowering it by the same amount in January and again in March. Three expected a 50 basis point cut.

A rate cut would need to be accompanied by steps to boost liquidity, according to bankers who say tight cash conditions are preventing them from lowering lending rates.

Still, the RBI could temper any action with measured language, given con-

cerns about lower-than-expected rainfall in the monsoon season and uncertainty about when the U.S. Federal Reserve will start raising interest rates.

The RBI has also made rate cuts contingent on government action to deliver substantial reforms, such as fixing the country's creaky infrastructure. That has sparked uncertainty now that Prime Minister Narendra Modi's administration is struggling to pass major measures through parliament.

"We expect the RBI to cut the repo rate by 25 basis points, but the tone of the statement will be cautious on the inflation trajectory," said Soumya Kanti Ghosh, State Bank of India's chief economic adviser.

Since the RBI held rates steady at its last policy review in early April, consumer price inflation has eased to a four-month low of 4.87 percent, in line with the RBI's mid-term targets.

Analysts argue inflation data should give the RBI enough comfort to cut rates again and reverse the three rate hikes delivered by Governor

Raghuram Rajan from September 2013 to January 2014 when India was suffering from double-digit inflation.

Instead, economists say bolstering growth should become the bigger imperative given dismal corporate earnings, weak industrial activity, and an elusive recovery in bank credit.

India's economy grew 7.5 percent in the January-March quarter from a year earlier - faster than China's 7 percent expansion - but economists have raised questions about the accuracy of a new method to measure economic activity.

Further rate cuts would put India in a similar monetary path to China, which earlier this month cut interest rates for the third time in six months.

Bankers are also lobbying for smaller measures to free up cash in the financial system, including easing the amount of funds that must be locked up at the RBI every day.

Rajan has expressed frustration that banks have yet to substantially cut their lending rates, disrupting monetary policy transmission.



Mahbubur Rahman, chairman of Eastland Insurance, speaks at the company's 28th annual general meeting at Spectra Convention Centre in Dhaka on Saturday. The company declared 10 percent cash and 10 percent stock dividends for 2014.

EASTLAND INSURANCE

**গণপ্রজাতন্ত্রী বাংলাদেশ সরকার**  
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১০০টি উপজেলায় একটি করে টেকনিক্যাল স্কুল স্থাপন শীর্ষক প্রকল্প  
কারিগরি শিক্ষা অধিদপ্তর  
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ই-মেইলঃ techedu09@gmail.com  
ওয়েবসাইটঃ www.techedu.gov.bd

নং-৩৭.০৩.০০০০.০৭০.০১১.০০৪.১৪-২৬১ তারিখঃ ৩১/০৫/২০১৫খ্রিঃ

## আউটসোর্সিং ভিত্তিতে জনবল নিয়োগের দরপত্র বিজ্ঞপ্তি

১.	মন্ত্রণালয়/বিভাগ	শিক্ষা মন্ত্রণালয়।
২.	এজেন্সী	কারিগরি শিক্ষা অধিদপ্তর।
৩.	সম্প্রদায়িক সত্তার নাম	প্রকল্প পরিচালক, "১০০টি উপজেলায় একটি করে টেকনিক্যাল স্কুল স্থাপন" শীর্ষক প্রকল্প কারিগরি শিক্ষা অধিদপ্তর, এফ-৪/বি, আগারগাঁও, শেরে বাংলা নগর, ঢাকা-১২০৭।
৪.	সম্প্রদায়িক সত্তার কোড	০৫-২৫৫১-৫০১৫।
৫.	সম্প্রদায়িক সত্তার জেলা	ঢাকা।
৬.	কি জন্য আহ্বান	কারিগরি শিক্ষা অধিদপ্তর/১০০টি উপজেলায় একটি করে টেকনিক্যাল স্কুল স্থাপন শীর্ষক প্রকল্প আউটসোর্সিং এর মাধ্যমে সরাসরি নিয়োগের নিমিত্ত ০১ জন ড্রাইভার, ১ জন ডাটা এন্ট্রি অপারেটর, ২ জন এমএলএসএস এবং ২ জন সিকিউরিটি গার্ড পদে মাসিক সাকুলে বৃত্তির ভিত্তিতে নিয়োগ।
৭.	আহ্বানের সূত্র ও তারিখ	নং-৩৭.০৩.০০০০.০৭০.০১১.০০৪.১৪-২৬১ তারিখঃ ৩১/০৫/২০১৫খ্রিঃ।
৮.	সম্প্রদায়িক পদ্ধতি	ও টি এম (Open Tendering Method)।
৯.	বাজেট অর্থায়নের উৎস	রাজস্ব (জি ও বি)।
১০.	টেন্ডার প্যাকেজ নং	OS-1।
১১.	জনবল সরবরাহের সম্ভাব্য সময়	০১/০৭/২০১৫ইং।
১২.	জামানতের পরিমাণ	৩০,০০০/- টাকা।
১৩.	দরপত্র প্রচারের তারিখ	০২/০৬/২০১৫।
১৪.	দরপত্র দাখিল বিক্রয়ের সর্বশেষ তারিখ ও সময়	২৪/০৬/২০১৫ তারিখ বিকাল ৫.০০ ঘটিকা পর্যন্ত।
১৫.	দরপত্র দাখিলের শেষ তারিখ ও সময়	২৫/০৬/২০১৫ তারিখ অপরাহ্ন-১.০০ ঘটিকা।
১৬.	দরপত্র খোলার তারিখ ও সময়	২৬/০৬/২০১৫ তারিখ অপরাহ্ন-২.৩০ ঘটিকা।
১৭.	দরপত্র দাখিল বিক্রয়, গ্রহণকারী অফিসের নাম ও ঠিকানা	(১) প্রকল্প পরিচালক এর কার্যালয় (৪র্থ তলা), কক্ষ নং-৪০৫, কারিগরি শিক্ষা অধিদপ্তর, এফ-৪/বি, আগারগাঁও, প্রশাসনিক এলাকা, শেরে বাংলা নগর, ঢাকা-১২০৭। (২) সিনিয়র সহকারী সচিব, শিক্ষা মন্ত্রণালয়, শাখা-২২, পরিবহন পুল ভবন, লিংক রোড, ঢাকা।
১৮.	দরপত্র খোলার দপ্তর	প্রকল্প পরিচালক এর কার্যালয় (৪র্থ তলা), কক্ষ নং-৪০৫, কারিগরি শিক্ষা অধিদপ্তর, এফ-৪/বি, আগারগাঁও, প্রশাসনিক এলাকা, শেরে বাংলা নগর, ঢাকা-১২০৭।
১৯.	দরদাতাদের যোগ্যতা	(১) দরদাতাকে বাংলাদেশী বেসরকারি জনবল সরবরাহকারী প্রতিষ্ঠান হতে হবে (২) অনুরূপ কাজের হালনাগাদ প্রমাণপত্র থাকতে হবে (৩) হালনাগাদ আয়কর সনদ, ভ্যাট রেজিস্ট্রেশন, ট্রেড লাইসেন্স ইত্যাদি থাকতে হবে।
২০.	জনবলের বিস্তারিত বর্ণনা	দরপত্র দাখিলের বর্ণনা অনুযায়ী।
২১.	দরপত্র দাখিলের মূল্য	প্রতি সেট ৫০০.০০ টাকা মাত্র অফেরতযোগ্য, বাংলাদেশ ব্যাংক/সোনালী ব্যাংকের ট্রেজারী চালানের মাধ্যমে জমা দিয়ে (কোড নং-১-২৫৫১-৫০১৫-২৬৮১) কর্তৃপক্ষের বরাবরে আবেদন করে (ট্রেজারী চালানের মূলকপি সহ) দরপত্র দাখিল করা হবে।
২২.	দরপত্র আহ্বানকারী কর্মকর্তার নাম ও পদবী	পিয়ুজ কান্তি নাথ, প্রকল্প পরিচালক (যুগ্ম-সচিব), কারিগরি শিক্ষা অধিদপ্তর, এফ-৪/বি, আগারগাঁও, শেরে বাংলা নগর, ঢাকা-১২০৭।
২৩.	দরপত্র আহ্বানকারী কর্মকর্তার ঠিকানা	কারিগরি শিক্ষা অধিদপ্তর, এফ-৪/বি, আগারগাঁও, শেরে বাংলা নগর, ঢাকা-১২০৭।
২৪.	দরপত্র আহ্বানকারীর ফোন নম্বর	৯১২৫০৯৬।
২৫.	জনবল সরবরাহের ধরন	দরপত্র দাখিলে বর্ণিত যোগ্যতা ও অভিজ্ঞতাসম্পন্ন জনবল সরবরাহ করতে হবে।
২৬.	সম্প্রদায়িক সত্তা কোন প্রকার কারণ দর্শানো ব্যতিরেকে সকল বা যে কোন দরপত্র গ্রহণ বা বাতিলের ক্ষমতা সংরক্ষণ করেন।	শিখু কান্তি নাথ প্রকল্প পরিচালক (যুগ্ম সচিব)

## Indonesian inflation accelerates on higher food prices

AFP, Jakarta


Indonesia's inflation accelerated in May to its highest level in five months due to increased food prices, data showed Monday, as people stocked up before the Islamic holy month of Ramadan.

The consumer price index rose 7.15 percent year-on-year, according to the official statistics agency, faster than expected and up from a 6.79 percent increase in April. It was the highest level since 8.36 percent in December.

Inflation in Southeast Asia's biggest economy has been edging up in recent months due mainly to higher fuel costs, after the government at the start of the year almost totally abolished huge subsidies and let petrol prices float with the market.

In May, however, the main driver was the higher cost of staples such as chicken and chilli as people stocked up ahead of the fasting month of Ramadan, which starts in mid-June.

Food prices typically rise before Ramadan as people in the world's most populous Muslim-majority country buy more food to give away to the less fortunate during Islam's holiest month, and for elaborate fast-breaking meals.



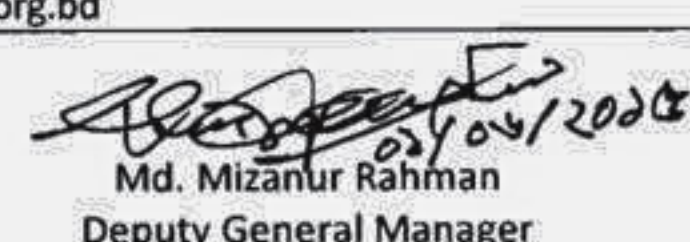
### RAJSHAHI KRISHI UNNAYAN BANK

Head Office, Information and Communication Technology Department  
272, BANALATA C/A, AIRPORT ROAD, RAJSHAHI  
TEL: 0721-862454, FAX: 0721-862456  
E-mail: dgimict@rakub.org.bd, Website: www.rakub.org.bd

### INVITATION FOR TENDER (IFT)

Tenders are hereby invited under the provisions of the Public Procurement Regulation-2008 (with latest amendments) for the Core Banking Solution (CBS) and related Services under the terms and conditions outlined below and detailed in the Tender Document:

01.	Procuring Entity Name	Rajshahi Krishi Unnayan Bank
02.	Source of Fund	Rajshahi Krishi Unnayan Bank's Own source
03.	Tender Ref. No. and Date	Tender No. RAKUB/HO/ICTD-65/2014-2015/989, Dated : 01/06/2015
04.	Tender Name	Supply, Installation, Customization, Parameterization and Implementation of Core Banking Solution (CBS) with Training to Bank's designated personnel.
05.	Tender Method	Open Tendering Single Stage Two Envelopes Method.
06.	Brief Description of Goods and Services	Supply, Installation, Customization, Parameterization and Implementation of CBS with training to Bank's designated personnel on turn-key basis. CBS Should have modules for General Banking, Trade Finance, Credit/Investment, Treasury, Central Accounts, Nostro Account, Reconciliation, Internet Banking etc.
07.	Eligibility of Tenderers	As per tender document.
08.	Price of Tender Document	Non-refundable BDT 15,000.00 (Fifteen thousand). The purchased original tender document and receipt must be submitted with the offer.
09.	Amount of Tender Security	BDT 30.00 (Thirty) Lac. 50% to be furnished in the form of a Bank Draft or Payment Order favouring "Rajshahi Krishi Unnayan Bank" from any branch of Rajshahi Krishi Unnayan Bank. Rest 50% in the form of an irrevocable unconditional Bank Guarantee issued by any scheduled Bank of Bangladesh.
10.	Name and address of the Office(s) Selling Tender Document	a) Dhaka Corporate Branch, Rajshahi Krishi Unnayan Bank, 65, Dilkusha, Dhaka b) Local Principal Office(LPO), Rajshahi Krishi Unnayan Bank, Head Office, 272, Banalata C/A, Airport Road, Rajshahi. From 10.00 AM to 4.00 PM on all work days.
11.	Name and address of the Office (s) Receiving Tenders	Information and Communication Technology Department, Rajshahi Krishi Unnayan Bank, Head Office, 272, Banalata C/A, Airport Road, Rajshahi.
12.	Name and address of the Office Opening Tenders	Information and Communication Technology Department, Rajshahi Krishi Unnayan Bank, Head Office, 272, Banalata C/A, Airport Road, Rajshahi.
13.	Last Date and Time for Selling Tender Document	05/07/2015 within 4.00 PM.
14.	Last Date and Time for Submission of Tenders	06/07/2015 within 3.30 PM.
15.	Date and Time for Opening of Tenders	06/07/2015 at 4.00 PM. (Tenderers authorised representatives are allowed to attend.)
16.	Pre-tender meeting	The Tenderer who will purchase the Tender Schedule may participate in the Pre-Tender meeting. Date & time: 17/06/2015 at 10.30 AM, Place: ICT Department, Rajshahi Krishi Unnayan Bank, Head Office, 272, Banalata C/A, Airport Road, Rajshahi. All questions for clarification should be submitted in writing on or before 14/06/2015.
17.	Offer Validity	At least 180 days from the date of opening the tender.
18.	Special Instruction	<ul style="list-style-type: none"> <li>The Procuring Entity reserves the right to accept or reject any or all offers without showing any reason.</li> <li>The Bank shall not be under any obligation to accept the lowest quotation.</li> <li>This Tender will be guided by the PPR-2008(with latest amendment). Terms and conditions of the "The Public Procurement Rules-2008" will apply</li> <li>If the tender is not received within the mentioned date and time, it will be directly rejected and shall be returned to the tenderer unopened.</li> <li>Due to unavoidable circumstances, if the tender cannot be received and opened on the scheduled date and time, the same will be received and opened on the next working day respectively at the same place and time.</li> <li>Any corrigendum (if any) will also be part of the tender and it will be binding upon the tenderer and it will be published in Bank's website www.rakub.org.bd.</li> <li>Notification of Award would be given subject to budget allocation.</li> </ul>
19.	Name of official inviting Tender	Md. Mizanur Rahman, Deputy General Manager
20.	Address & Contact Details	ICT Department, Rajshahi Krishi Unnayan Bank, Head Office, 272, Banalata C/A, Airport Road, Rajshahi, Tel: 0721-862454, E-mail: dgimict@rakub.org.bd

  
 Md. Mizanur Rahman  
 Deputy General Manager

GD-2004