

HSBC shifts derivatives trades to Hong Kong as HQ decision looms



An aircraft flies past the HSBC headquarters building in east London.

REUTERS, Hong Kong

HSBC has begun shifting billions of dollars worth of derivatives trades from London to Hong Kong to take advantage of the city's favourable funding and regulatory environment, and to help position itself for a potential relocation of its headquarters, sources with direct knowledge of the bank's trading arrangements told Reuters.

The development comes as a slew of regulatory changes brought in after the 2008 financial crisis make it increasingly expensive for banks to trade derivatives in the United States and Europe. Booking trades outside Britain would potentially help reduce HSBC's exposure to the country's bank levy, one of the sources said.

The British lender, which is exploring whether to relocate its headquarters out of London, has begun moving interest rate swaps booked in Britain over to its Hong Kong subsidiary, three people with direct knowledge of HSBC's trading books said.

Interest rate swaps, which allow investors and

London as its regulatory regime was less onerous than the one they faced on Wall Street.

During the past 18 months, many banks have begun to review their Asia trade booking arrangements amid tough new rules that have made Britain less attractive as a global trade booking centre. These include ring-fencing retail customers' deposits, new European Union rules governing the processing of derivatives, and the bank levy.

The levy is currently a tax on British banks' global balance sheets but the government has announced plans to change it so that by 2021 it will apply only to assets held in Britain.

HSBC began reviewing its trading arrangements more than 18 months ago, but started moving interest rate swaps in recent months, two of the sources said.

Hong Kong's top financial policy advisory body, the Financial Services Development Council, said in a September 2015 paper that Hong Kong should "seize the opportunity" to position itself as a global booking centre to rival London and New York.

For HSBC, moving such trades to Hong Kong is easier than for many other global lenders as it has a big standalone Hong Kong-incorporated bank subsidiary which has low funding costs due to the bank's large deposit base, two sources said.

Booking more trades in Asia also helps lay the groundwork for a potential relocation of the bank's headquarters, both politically and operationally, the sources said. HSBC CEO Stuart Gulliver has said the lender will "pivot" its strategy towards China and its Pearl River Delta.

"They [HSBC] also want to inflate the Hong Kong balance sheet so that if they decide to move their headquarters to Hong Kong they can say to the regulators 'well, look, we do as much business in Hong Kong as we do in London,'" one of these people said.

Moving trades to Hong Kong involves changing a trading contract so that the bank's client, which could be a fund manager, company or another bank, has the HSBC Hong Kong entity as its counterparty.

companies to hedge their exposure to interest rate changes, comprise the bulk of the global over-the-counter derivatives market, with a notional value of around \$500 trillion, according to the Bank for International Settlements.

Large swap dealers like HSBC typically hold hundreds of billions of dollars worth of such trades on their balance sheet.

"Our approach to booking derivatives transactions is driven by a number of factors, including client needs and the type of contract," a Hong Kong-based spokesman for HSBC said in response to questions on the matter.

Global banks have typically held the majority of Asia-related derivatives trades on their European balance sheets, with London being a major booking centre for such deals.

This model has historically been more efficient than having multiple booking centres, allowing banks to gain economies of scale by aggregating their capital and infrastructure in one or two locations, while London also has a deep talent pool of middle and back-office staff.

After the financial crisis, many U.S. banks increased the volume of trades they booked in



Rubel Aziz, chairman of City Bank, Sohail RK Hussain, chief executive, and Nasir U Mahmood, president of Uttara Club, pose during the signing of an agreement in Dhaka. Uttara Club members can now pay membership and other dues through the bank's Citytouch internet banking services.

Meghna Petroleum Limited
(A Subsidiary of Bangladesh Petroleum Corporation)
58-59, Agrabad Commercial Area, Chittagong

Tender Notice

1.	Name of the procuring entity	Meghna Petroleum Limited, 58-59, Agrabad Commercial Area, Chittagong.		
2.	Invitation of tender for	Package No.	Description	Cost of tender documents
		Lot-01 Pur-099 Dt. 28/06/2015	Re-Tender 1 st Call Procurement of product delivery meter 2" dia	Tk. 2,000/-
		Lot-02 Pur-028 Dt. 26/10/2015	Procurement of 6" dia petroleum product delivery meter	Tk. 2,000/-
		Lot-03 Pur-029 Dt. 26/10/2015	Procurement of 8" dia petroleum product delivery meter	Tk. 1,50,000/-
3.	Procurement method	Open Tendering Method (OTM). Tender to be submitted in two separate envelopes, one for technical offer and the other for commercial offer.		
4.	Last selling date of tender document	November 16, 2015	15.30 hrs.	
5.	Tender closing time and date	November 17, 2015	15.00 hrs.	
6.	Tender opening time & date	November 17, 2015	15.15 hrs.	
7.	Name & address of the offices for:			
	Selling of tender documents	1. Purchase Section, Meghna Petroleum Limited, 58-59, Agrabad Commercial Area, Chittagong. 2. Meghna Petroleum Limited, Meghna Bhaban, 131, Motijheel C/A, Dhaka.		
	Receiving of tender documents	GM (Operations), Meghna Petroleum Limited, 58-59, Agrabad Commercial Area, Chittagong.		
	Opening of tender documents	GM (Operations), Meghna Petroleum Limited, 58-59, Agrabad Commercial Area, Chittagong.		
8.	Qualification of tenderer (for each lot)	a) The tenderer shall have minimum 05 (five) years overall experience in the supply of imported goods. b) The bidder must be authorized dealer/agent/sub-agent/sole distributor of the manufacturer. c) The tenderer shall have successfully completed minimum 03 (three) numbers supply orders of imported goods of minimum Tk 30.00 lac each (for Lot-01 & 03), Tk. 50.00 lac each (for Lot-02) within last 5 (five) years, i.e. years counting backward from the date of publication of IFT in the newspaper. d) Tenderer must have minimum amount of liquid assets or working capital or credit facilities of Tk. 50 (fifty) lac (for Lot-01 & 03) and 80 (eighty) lac for Lot-02.		
9.	Special instruction (For each lot)	The technical offer must comprise the following: (a) Work order with experience certificate as specified in the tender schedule. (b) Proper authorization from manufacturer/dealer/agent/sub-agent/sole distributor. (c) Original catalogue/detail technical literature. (d) Import Registration Certificate (for Importer). (e) Offers must be submitted in the bidder's printed letterhead pad. (f) Certified copy of valid trade licence. (g) Certified copy of TIN certificate. (h) Certified copy of VAT Registration Certificate. (i) Earnest money. (j) Original Money Receipt of Purchasing the tender documents. (k) Any other documents as specified in the tender schedule. After opening/scrutiny of the technical offers the successful bidders will be advised the date & time of opening of the commercial/financial offers to enable their attendance as per schedule.		
10.	Procuring entity reserves the right to accept or reject any or part of any tender without showing any reason whatsoever.			

Note: If the tender can not be received/opened on the date of schedule due to any uncontrollable reason, the same will be received/opened on the next working day at the same time and same place.

GD-3412

Nestle restarts Maggi noodle production in India

AFP, Mumbai

Nestle said Tuesday it had restarted production of Maggi noodles in India after a government ban was overturned, in a major step towards getting the hugely popular brand back on shelves.

"We have resumed manufacturing of Maggi Noodles at three of our plants, at Nanjangud (Karnataka), Moga (Punjab) and Bicholim (Goa)," the Swiss food giant said in a statement.

India's food safety watchdog slapped a nationwide ban on the noodles in June, saying lead levels exceeded statutory limits.

But the Bombay High Court, the highest court in the western city now known as Mumbai, overturned the ruling two months later, calling it "arbitrary" and ordered fresh tests.

Earlier this month Nestle said the laboratory tests had found that Maggi noodles were safe to eat.

In its statement to the Bombay Stock Exchange on Tuesday, Nestle's Indian arm added that fresh samples from the newly produced batches will be sent for testing.

"We shall commence sale only after the samples are cleared by these laboratories," it said.

Although it's not clear when the noodles will be back in Indian shops, an official at the company told AFP on condition of anonymity that the testing process would take a few weeks.

Nestle had sold the product for over three decades in India, and had 80 percent of the country's instant noodle market before the ban.

Nestle's Indian arm has estimated that its run-in with Indian regulators will cost the company 3.2 billion rupees (\$50 million).

The company has always maintained the product was safe to eat, and has continued to sell it in other countries.

Market determines oil price: Saudi Arabia

AFP, Riyadh

Saudi Arabia's oil minister said Tuesday it was up to the market to determine oil prices, effectively ruling out an intervention to prop them up.

"Prices are a function of supply and demand," Ali al-Naimi told reporters on the sidelines of a mining conference in the Saudi capital.

He made no further comment on oil prices, which have dropped by more than half from early last year to below \$50 a barrel.

As OPEC's largest producer and the only one with significant spare capacity, Saudi Arabia has traditionally acted to stabilise the market by adjusting output.

But in an increasingly competitive environment the cartel has kept production levels unchanged, in what analysts say is a bid to push out new players, in particular US shale producers.

In its October monthly report, the Organization of the Petroleum Exporting Countries said market pressures appear to be easing.

"Fundamental factors (of supply and demand) that have weighed on the market for more than a year have persisted, but are starting to show signs of alleviation," it said, slightly adjusting upwards its 2015 forecast for crude demand.



Atiur Rahman, governor of Bangladesh Bank, inaugurates an agent banking outlet of Bank Asia to serve the unbanked population of a former enclave in Debiganj of Panchagarh on Sunday. Aminul Islam, additional managing director of Bank Asia, and Md Arfan Ali, deputy managing director, were also present.

Alibaba revenue rises 32pc, beating expectations

REUTERS

Chinese e-commerce giant Alibaba Group Holding Ltd reported a 32 percent rise in second-quarter revenue, beating analyst estimates, even as the value of goods transacted on its platforms grew at a slower pace.

Revenue rose to 22.17 billion yuan in the quarter ended Sept. 30, compared with the average analyst estimate of 21.25 billion yuan, according to Thomson Reuters.

Alibaba's New York-listed shares were up 8.5 percent in premarket trading on Tuesday.

Gross merchandise volume (GMV), or the total value of goods transacted on its retail marketplaces in China, rose 28 per-

cent to \$112 billion.

Mobile revenue nearly tripled to \$1.66 billion, with mobile GMV accounting for 62 percent of total GMV transacted on Alibaba's China retail marketplaces.

Alibaba is branching out from its core online-only shopping platforms in a bid to stem a slowdown in revenue growth and the total value of goods transacted over its websites.

The company reported net income attributable to shareholders of \$3.58 billion, or \$1.40 per share. Excluding items, the company posted earnings of 57 cents per share.

Alibaba shares closed at \$76.35 on Monday, down about 36 percent from their record high of \$120 in November 2014.



Sharif Zahir, chairman of Vanguard Asset Management, and Waqar Ahmad Choudhury, managing director; Mafizuddin Sarkar, managing director of BD Finance; Ahmed Saifuddin Choudhury, managing director of BGIC; and Syed Mahbubur Rahman, managing director of Brac Bank, pose during a roadshow for the IPO subscription of Vanguard AML BD Finance Mutual Fund One at Westin hotel in Dhaka on Saturday.

বাংলাদেশ সূপ্রীম কোর্ট হাইকোর্ট বিভাগ, ঢাকা www.supremecourt.gov.bd উন্মুক্ত দরপত্র বিজ্ঞপ্তি			
ক্রমিক নম্বর	পণ্য ও দরপত্র সংক্রান্ত তথ্যাদি		
১	মন্ত্রণালয়/বিভাগ :	বাংলাদেশ সূপ্রীম কোর্ট, ঢাকা	
২	প্রতিষ্ঠান :	বাংলাদেশ সূপ্রীম কোর্ট, হাইকোর্ট বিভাগ, ঢাকা	
৩	সংগ্রাহক প্রতিষ্ঠানের নাম ও ঠিকানা :	বাংলাদেশ সূপ্রীম কোর্ট, হাইকোর্ট বিভাগ ঢাকা	
৪	সংগ্রাহক প্রতিষ্ঠানের কোড :	প্রযোজ্য নহে	
৫	সংগ্রাহক প্রতিষ্ঠানের জেলা :	ঢাকা	
৬	দরপত্র আহবানের বিষয় :	বিভিন্ন ধরনের আইসিটি সামগ্রী ক্রয় সংক্রান্ত	
৭	দরপত্র বিজ্ঞপ্তি নম্বর :	০৭/২০১৫-১৬/বাসুকো/ক্রয়-৩৩/১৫	
৮	ক্রয় পদ্ধতি :	উন্মুক্ত দরপত্র পদ্ধতি।	
৯	পণ্য সংগ্রহ পদ্ধতি :	উন্মুক্ত দরপত্র পদ্ধতি (জাতীয়)।	
১০	বাজেট ও তহবিলের উৎস :	জাতীয় রাজস্ব বাজেট।	
১১	উন্নয়ন সহযোগী (প্রযোজ্য ক্ষেত্রে) :	প্রযোজ্য নহে।	
১২	প্রকল্প/প্রোগ্রাম কোড :	প্রযোজ্য নহে।	
১৩	প্রকল্প/প্রোগ্রাম এর নাম :	প্রযোজ্য নহে।	
১৪	দরপত্র প্রক্রিয়ার নাম :	উন্মুক্ত দরপত্র পদ্ধতি।	
১৫	দরপত্র প্রকাশের তারিখ :	২৮/১০/২০১৫ খ্রিঃ	
১৬	দরপত্র বিক্রয়ের শেষ তারিখ :	১১/১১/২০১৫ খ্রিঃ দুপুর ০২.০০ ঘটিকা পর্যন্ত	
১৭	দরপত্র দলিল দাখিলের সর্বশেষ তারিখ ও সময় :	১২/১১/২০১৫ খ্রিঃ তারিখ দুপুর ১২.০০ ঘটিকা পর্যন্ত	
১৮	দরপত্র উন্মুক্ত করণের তারিখ ও সময় :	১২/১১/১৫ খ্রিঃ তারিখ দুপুর ১২.১০ ঘটিকা	
১৯	দরপত্র আহবানকারী প্রতিষ্ঠানের নাম ও ঠিকানা :	রেজিস্ট্রার জেনারেল এর কার্যালয়, বাংলাদেশ সূপ্রীম কোর্ট, ঢাকা।	
	দরপত্র দলিল বিতরণ		
	দরপত্র দলিল গ্রহণ		
	দরপত্র দলিল উন্মুক্ত করণ		
২০	দরপত্র দাখিলের যোগ্যতা :	লট-১ এর জন্য জেলা পর্যায়ে সাপোর্ট প্রদানে সক্ষমতাসহ দরপত্রে বর্ণিত অন্যান্য যোগ্যতা।	
২১	পণ্য ও সেবার সংক্রান্ত বিবরণ :	পণ্য ও সেবাসমূহের বিস্তারিত বিবরণ দরপত্র সিডিউলে উল্লেখ করা হয়েছে।	
২২	দরপত্র দলিলের মূল্য :	লট-১ = ৫০০০/-, লট-২ = ১০০০/-, লট-৩ = ৫০০/- টাকা (অফেরত যোগ্য)	
২৩	লট নম্বর	লটের নাম	অবস্থান
	লট-১	ডেভেলপমেন্ট কম্পিউটার-৩০০ টি (কম বেশি), লেজার প্রিন্টার-৩০০টি (কম বেশি)।	বাংলাদেশ সূপ্রীম কোর্ট, হাইকোর্ট বিভাগ
	লট-২	হেডভিউটি মাল্টিফাংশন প্রিন্টার (এডিএক সহ)- ০২ টি, হেডভিউটি মাল্টিফাংশন প্রিন্টার- ০৩ টি, লেজার ড্রপ্সের প্রিন্টার- ০১ টি, লেজার কালার প্রিন্টার- ০১ টি, ইন্সটল কালার প্রিন্টার- ০১ টি, স্ক্যানার (লিগ্যাল সাইজ)- ০৩ টি।	বাংলাদেশ সূপ্রীম কোর্ট, হাইকোর্ট বিভাগ
	লট-৩	প্রজেক্টর (প্রজেকশন স্ক্রিনসহ)-০২ টি।	বাংলাদেশ সূপ্রীম কোর্ট, হাইকোর্ট বিভাগ
২৪	দরপত্র আহবানকারী কর্মকর্তার নাম	সৈয়দ আমিনুল ইসলাম	
২৫	দরপত্র আহবানকারী কর্মকর্তার পদবী	রেজিস্ট্রার জেনারেল, বাংলাদেশ সূপ্রীম কোর্ট	
২৬	দরপত্র আহবানকারী কর্মকর্তার ঠিকানা	কক্ষ নং- ১০১ মূল ভবন (নিচ তলা) বাংলাদেশ সূপ্রীম কোর্ট, রমনা, ঢাকা।	
২৭	দরপত্র আহবানকারীর সহিত যোগাযোগের মাধ্যম	টেলিফোন নম্বর - ৯৫৬১৯৫২	ফ্যাক্স নম্বর- ৯৫৬৫০৫৮
২৮	দরপত্র আহবানকারী কর্তৃপক্ষ কোন কারণ দর্শানো ব্যতীত যেকোন দরপত্র গ্রহণ অথবা বাতিল করার পূর্ণ ক্ষমতা সংরক্ষণ করেন।	rg@supremecourt.gov.bd	