

# Indian gold demand seen falling in festive quarter



REUTERS/FILE

A customer tries a gold necklace at a jewellery showroom in Mumbai.

REUTERS, Mumbai

India's gold buying in the key December quarter is likely to fall to the lowest level in eight years, hurt by poor investment demand and back-to-back droughts that have slashed earnings for the country's millions of farmers.

The sluggish demand could halve imports by the world's second-biggest gold consumer in U.S. dollar terms in the final quarter, a retailer and two bank dealers said, putting further pressure on global prices that hit a five-year low earlier this month.

December quarter demand could fall to 150 to 175 tonnes, said Bachhraj Bamalwa, a director with the All India Gems & Jewellery Trade Federation, from 201.6 tonnes a year ago and a five-year average for the quarter of 231 tonnes, according to World Gold Council data.

The December quarter usually accounts for about a third of India's gold sales as it takes in the start of the wedding season as well as festivals like Dhanteras and Diwali, when buying gold is considered auspicious.

Two-thirds of demand comes from rural areas, where jewellery is a traditional store of wealth, but weak monsoon rainfall this year due to an El Nino weather pattern has eroded farmers' earnings and their purchasing capacity.

"I incurred huge losses this year as my corn and cotton crops were wilted due to drought," said Madhukar Patil, a farmer in the western state of Maharashtra, who had been planning to buy gold during Diwali.

A weak rupee has also kept local gold prices relatively strong compared with a slump in U.S. dollar-denominated gold, further denting demand, while investment buying has stalled as investors see little chance of a quick price recovery.

"In the first half of November demand was good due to Diwali, but since then demand has significantly moderated," said Harshad Ajmera, proprietor of JJ Gold House, a wholesale in the eastern Indian city of Kolkata.

The Indian rupee has fallen over 5 percent this year, restricting the drop in local gold prices to 5.5 percent, compared with a 9.3 percent drop in U.S. dollar denominated gold.

India's gold imports, which account for nearly all of its demand for the precious metal, could fall to around \$5.7 billion in the December quarter, the Federation's Bamalwa said. Two gold dealers forecast a similar fall.

Sluggish demand has been reflected in physical trading in India as bullion was offered at a discount even during Dhanteras, compared with a premium of \$18 an ounce over London prices last year.

## PetroChina sells pipeline stake amid reforms push

AFP, Shanghai

State-owned Chinese oil giant PetroChina will sell half of a subsidiary that operates pipelines across central Asia for \$2.4 billion, it said, raising hopes of possible reforms among nationalised firms.

PetroChina's Trans-Asia Gas Pipeline has pipelines connecting China with countries including Kazakhstan, Uzbekistan, Tajikistan and Kyrgyzstan.

It is expected to have an 8,000 kilometre network with an annual capacity of 85 billion cubic metres by 2020. The 50 percent stake will be sold to another state-owned firm, China Reform Holdings, PetroChina said in a statement to the Shanghai exchange late Wednesday.

While the transaction is between state-owned companies, and for only half the pipeline unit, spinning off non-core assets is seen as a positive sign for change in China's lumbering state sector.

Vested interests are entrenched within it but the government has been pushing reforms as it seeks to bolster the economy to avoid a hard landing.

PetroChina and its huge parent company, China National Petroleum Corporation (CNPC), are seeking to meet government-set annual profit goals by selling assets, Bloomberg News reported, quoting people with knowledge of the situation.

PetroChina's third quarter net profit slumped 81.4 percent year-on-year -- albeit still more than \$800 million -- as China's economic growth slowed to its worst for more than six years and on the back of tumbling global oil prices.

## Pakistan to invite PayPal, Alibaba to start e-commerce services

AFP, Islamabad

Pakistan is set to invite global online payment giants PayPal and Alibaba to offer their services in the country, the IT ministry has said, after easing its e-commerce rules.

The move follows a decision by the global Financial Action Task Force to remove Pakistan from its list of high-risk and non-cooperative jurisdictions linked to money laundering.

Neither US-based PayPal nor Chinese e-commerce giant Alibaba (which operates a service called Alipay) currently work inside Pakistan, which had strict regulation until recently limiting online payments for services.

Local vendors instead offer cash-on-delivery options. Pakistan's junior minister for information technology Anusha Rahman said in a Monday statement that following the central bank's decision to announce new rules for e-commerce, the government would "solicit mechanism to coordinate with international e-commerce players such as PayPal, Alibaba etc encouraging them to establish their setup to enable e-commerce services in Pakistan."



Zafor Uddin Siddiqui, director for marketing and sales at City Group, receives a crest during the Best Brand Award programme organised by Bangladesh Brand Forum and Millward Brown. Four brands of the Group -- Teer Atta, Maida, Suji and Teer Soybean Oil -- were recognised.

## Pimco, others sue Citigroup over billions in mortgage debt losses

REUTERS

Pacific Investment Management Co and other investors have sued Citigroup Inc over the bank's alleged failure to properly monitor toxic securities backed by more than \$13.8 billion of mortgage loans, resulting in \$2.3 billion of losses.

According to a complaint filed Tuesday night in a New York state court in Manhattan, Citigroup breached its duties as trustee for the 25 private-label trusts dating from 2004 to 2007 by ignoring "pervasive and systemic deficiencies" in how the underlying loans were underwritten or being serviced.

The investors said Citigroup looked askance at the loans' "abysmal performance" out of fear it might "jeopardize its close business relationships" with loan servicers including Wells Fargo & Co and JPMorgan Chase & Co, or prompt them to retitle over its own problem loans.

Some loans backing the 25 trusts came from issuers including the now-defunct American Home Mortgage and Washington

Mutual. The lawsuit seeks class-action status and unspecified damages.

Citigroup spokeswoman Danielle Romero-Apsilos declined to comment. TIAA-CREF, and affiliates of Prudential Financial Inc and Aegon NV's Transamerica are among the other plaintiffs.

Pimco, a unit of German's Allianz SE, has filed lawsuits against other banks raising similar allegations over other mortgage trusts. A Pimco spokesman declined to comment.

Bond issuers appoint trustees to ensure that payments are funneled to investors, and handle back-office work after securities are sold.

Trustees have in recent years become a target for investors who lost money on badly underwritten mortgages, and believe the trustees shirked their duties to force lenders and bond issuers to buy those loans back.

The case is Fixed Income Shares: Series M et al v. Citibank NA, New York State Supreme Court, New York County, No. 653891/2015.

## Private sector loans growing fast in eurozone: ECB

AFP, Frankfurt

The volume of loans to the private sector in the euro area expanded in October, with a bigger bounce recorded than the previous month, European Central Bank data showed on Thursday. The data are for the ECB a key indicator of economic health, as borrowing is a main financing source for corporate investment which in turn should boost the eurozone's currently weak economy.

During the month, loans accorded rose 1.0 percent from a year ago, compared to a growth of 0.6 percent recorded in September, an ECB spokesman said.

When certain strictly financial transactions are stripped out from the loans data, the trend remains the same -- with credit accorded to households and companies up 0.8 percent in October, up from 0.4 percent in September and 0.7 percent in August.

The ECB has launched a raft of policy measures to get credit flowing, most significantly a massive programme to buy more than one trillion euros (\$1.1 trillion) worth of public sector bonds to pump liquidity into the system.



Ihab Sorial, vice president for Indian subcontinent at Qatar Airways, speaks during an exclusive corporate event organised by the airline in Dhaka, to mark its recent success at the annual Skytrax 2015 awards. Qatar Airways won three awards -- Airline of the Year, Best Business Class Airline Seat, and Best Airline in the Middle East.

## Philippine growth misses forecast as risks loom

AFP, Manila

The Philippine economy grew slower than expected in the third quarter, as risks from a leadership change next year and the El Nino dry spell loomed, the government said Thursday. The slowdown comes after years of sustained growth in the Philippines, formerly known as the "Sick Man" of Asia because of its poor economic performance.

Gross domestic product (GDP) expanded by 6.0 percent in the July to September period, faster than 5.8 in the previous quarter but below the 6.3 percent median expectation of economists in a Bloomberg News poll, as a slowdown in manufacturing weighed on growth in services and public spending.

"Clearly, the outcome of the national election will have an impact on the economy," economic planning secretary Arsenio Balisacan told reporters.

## Barring yuan, sentiment improves for Asia FX waiting for gradual Fed tightening

REUTERS, Singapore

Sentiment towards most emerging Asian currencies improved as the US Federal Reserve is expected to raise interest rates only gradually in 2016 after a hike next month, a Reuters poll showed.

China's yuan was an exception with its bearish bets at a three-month high, according to the survey of 19 fund managers, currency traders and analysts conducted from Tuesday through Thursday. That came as the International Monetary Fund (IMF) is almost certain to add the renminbi to the Special Drawing Rights basket later this month.

The yuan may enter the IMF's benchmark currency basket with a lower weighting than earlier expected as the Fund is considering the basket to better reflect financial flows, people briefed on the Fund's discussions told Reuters.

Some analysts expected China to allow the yuan to depreciate once the currency is formally included. On Monday, the Chinese unit hit a near three-month low after the central bank set its daily guidance rate weaker.

In contrast, short positions in other emerging Asian currencies were reduced as Fed policymakers

indicated the US central bank may increase interest rates only slowly once it embarks on its first tightening cycle in around a decade.

The Fed is widely expected to hike interest rates at its next meeting in December, but the prospects have been already priced in to some degree, traders and analysts said. The previous poll, on Nov. 12, showed sentiment toward emerging Asian currencies had deteriorated.

This latest survey estimated pessimistic bets on the Malaysian ringgit had fallen to the lowest since mid-May as rebounds in crude prices eased concerns over the country's falling oil and gas revenues.

The ringgit also drew support from debt-ridden state fund 1Malaysia Development Bhd's (1MDB) agreement to sell its energy business in a \$2.3 billion cash deal to China General Nuclear Power Corporation.

Separately, China will buy more Malaysian government bonds to help stabilise its financial markets, Premier Li Keqiang announced, according to state news agency Xinhua on Monday.

Ebbing confidence in Malaysia, due to weak global oil prices and a corruption scandal linked to 1MDB, had pushed the ringgit 17 percent

down against the dollar this year, making it the region's worst-performer.

The Indonesian rupiah's short positions slid to the smallest since mid-October amid doubts over the central bank's ability to cut its policy interest rates on fears of capital outflows.

Last week, Bank Indonesia cut a reserve requirement, while leaving its benchmark interest rate unchanged. The central bank said it sees some room to ease monetary policy further.

Pessimism toward the South Korean won eased as offshore funds dumped the dollar to stop losses as the greenback weakened all round. Exporters chased the won for month-end settlements.

Short positions on the Singapore dollar slid as the currency hit a near three-week high on data showing the economy grew much faster than initially estimated. The central bank also said the monetary policy remains appropriate.

The poll is focused on what analysts and fund managers believe are the current market positions in nine Asian emerging market currencies: the Chinese yuan, South Korean won, Singapore dollar, Indonesian rupiah, Taiwan dollar, Indian rupee, Philippine peso, Malaysian ringgit and the Thai baht.

## Government of the People's Republic of Bangladesh

Office of the Project Director  
South-West Region Livestock Development Project  
District Livestock Office, Khulna

Ref. No. SWRLDP/Construction-1/2015/7

Date: 25-11-2015

### Invitation for Tender

Sealed tender invited from the eligible bidders as defined in the tender documents for the undermentioned work(s) as per terms & conditions stated below.

1.	Ministry/Division	Ministry of Fisheries & Livestock			
2.	Project name	South-West Region Livestock Development Project			
3.	Procuring entity	Project Director			
4.	Procurement method	Open Tendering Method (OTM).			
5.	Budget & source of fund	GOB (Annual Development Budget).			
6.	Invitation for	Works (Construction).			
7.	Invitation Ref. No. & date	SWRLDP/Construction-1/2015/47, Date: 25-11-15			
8.	Tender Package No.	WD2, WD6 & WD9.			
9.	Tender documents selling place	1. District Livestock Office, Khulna. 2. Department of Livestock Services (DLS), Farmgate, Dhaka-1215. 3. Office of the Divisional Commissioner, Khulna.			
10.	Last date and time of selling documents	20-12-2015 (office hour).			
11.	Receiving place of tender documents	1. District Livestock Office, Khulna. 2. Office of the Divisional Commissioner, Khulna.			
12.	Last date and time of receiving the documents	On/before: 01:00pm, 21-12-2015			
13.	Opening place, time & date of tender documents	District Livestock Office, Khulna. On: 2:30pm, 21-12-2015			
14.	Eligibility bidders	Contractors firm with eligibility stated in tender document as per Public Procurement Regulations-2008, having experience similar type of works within the previous 03 (three) years.			
15.	Price of tender documents (non-refundable)	WD2 & WD6 : 750/- (seven hundred fifty) Taka each. WD9: 500/- (five hundred) Taka each.			
16.	Information of works				
	Pack. No.	Description of item	Location	Tender security (Tk.)	Completion time
WD2		Lot-1 Construction of 2-Storyed Building accommodate garage, dormitory and main gate with guard room in DLO Office, Jessor	DLO Office, Jessor	1,55,000/-	05 (five) months.
WD6		Lot-1 Construction of 2-Storyed Building accommodate 4 Nos. garage, dormitory and main gate with guard room & RCC road in DLO Office, Kushtia	DLO Office, Kushtia	1,45,000/-	05 (five) months.
WD9		Lot-1 Construction of boundary wall in UDL Office, Kaira, Khulna Lot-2 Construction of boundary wall & RCC Road in UDL Office, Dumoria, Khulna	UDL Office, Kaira, Khulna UDL Office, Dumoria, Khulna	50,000/- 45,000-	03 (three) months. 03 (three) months.

The tender security must be Bank Draft/Pay Order from the schedule bank in favour of undersigned (PD & Project). The next normal official day & time will be effective for receiving & opening of tender documents if any unavoidable circumstances occurs as on mention date. The procuring authority reserves the right to accept or reject any portion or all tenders without assigning any reason.

Dr. Dilip Kumar Ghosh

Project Director

South-West Region Livestock Development Project

District Livestock Office, Khulna

GD-3717