

Fed to sit tight on rates at March meet, hint at hikes to come

REUTERS, San Francisco

The Federal Reserve won't raise interest rates this week, but will likely make clear that as long as US inflation and jobs continue to strengthen, economic weakness overseas won't stop rates from rising fairly soon.

That will be a big change from the last time the Fed met, when uncertainty over the impact of slower growth in China and Europe drove policymakers to signal it would stay on hold until it could make a better call on the outlook.

That in turn was a setback from just a month earlier, when the Fed raised rates for the first time in nearly a decade and seemed ready to move four more times this year.

This week, fresh forecasts from the Fed's 17 officials released after the meeting will almost certainly signal a retreat from that pace, to perhaps two or three rate hikes this year, economists predict and Fed officials themselves have suggested.

But the expected downgrade may largely reflect the drag from the oil and stock market slide in January and the Fed's decision then to put policy on hold, rather than mounting worries over the US or global outlook.

Indeed, since the last Fed meeting US inflation has shown signs of stabilizing, with one measure published by the Dallas Fed rising to 1.9 percent, its closest to the Fed's 2 percent goal in 2-1/2 years. Meanwhile, the US unemployment rate held at 4.9 percent in February, near the level many Fed officials believe represents full employment.

The European Central Bank's decision last week to ease policy further may help add to confidence that action has been taken to underpin growth in Europe, helping ensure a stalling of global growth drag on the US.

That could mean another US rate hike by mid-year and, depending on



US Federal Reserve Chairman Janet Yellen holds a news conference to announce raised interest rates in Washington on December 16 last year.

economic data, more to come after that.

"June seems certainly like a possibility" for the Fed's next rate hike, said former Minneapolis Fed President Narayana Kocherlakota, whose own preference is for the Fed to take out "insurance" against a recession by cutting rates back to near zero. Market-based inflation expectations have improved somewhat since the Fed's last meeting, he said, "a real positive" development.

Still, Kocherlakota's former colleagues will likely spend plenty of time discussing the inflation outlook. That much was clear last week, when two top Fed officials, speaking simultaneously at separate Washington events, gave diverging assessments of recent evidence of rising prices.

More hawkish rate setters worry that if the Fed does not act to preempt inflation, it could end up behind the curve and lose credibility, while the more dovish members

believe the economic recovery is still fragile and want to see firm evidence of inflationary pressures.

"That's probably internally the biggest grounds for debate," said Regions Financial Corporation economist Richard Moody.

The Fed will also need to tackle how to characterize the "balance of risks" to their baseline outlook, he said, particularly if policymakers want to keep the door open to rate hikes in April or June.

"If they truly want the markets to believe that all the meetings are on the table (for a potential rate hike) then I would think they have to have something in there," Moody said, predicting they will characterize risks as "nearly balanced," the same phrase they used before December's rate hike.

And yet, others say, Fed Chair Janet Yellen will be wary of sending too strong a signal of coming rate hikes, for fear of roiling markets.

Belgium's Ageas in \$1.34b settlement plan over Fortis

AFP, Brussels

Belgian insurer Ageas announced Monday a proposed 1.2 billion-euro settlement with shareholders to cover losses following the dismantlement of the Fortis bank insurance group during the 2008 financial crisis.

"Ageas agreed to pay a global amount of 1.204 billion euros (\$1.338 billion) to eligible shareholders without admitting any wrongdoing," it said in a statement issued in Brussels.

The Belgian-Dutch Fortis group was dismantled and partly nationalised in October 2008 during the global banking crisis, leading to its Dutch banking and insurance assets being nationalised by the Netherlands for 16.8 billion euros.

Its Belgian banking arm was taken over by French giant BNP Paribas, while the Belgian insurance section, Fortis Holding, was renamed Ageas in 2010.

Shareholders claim they lost millions of euros because the bank's management lied to the markets and said Fortis was financially healthy in 2008 when in fact it was on the brink of collapse.

The shareholders afterwards launched a number of lawsuits in Belgium and the Netherlands to recover their losses.



Md Rezaul Haque, chairman of Social Islami Bank, hands over remittance to a customer to launch the bank's remittance services in Dhaka in collaboration with Instant Cash FZE. Md Shafiqur Rahman, managing director of SIBL, and Anjali Menon, head of marketing of Instant Cash, were also present. Instant Cash is a subsidiary of UAE based global remittance company Wall Street Exchange Centre LLC.

India delays plans to open up coal sector to private firms

REUTERS, New Delhi

India will delay opening commercial coal mining to private companies due to lower-than-expected demand for the fuel, a government official said, which could make it difficult for the country to meet ambitious output targets.

The world's third-largest coal importer wants private companies to contribute about a third of an annual production target of 1.5 billion tonnes by 2020, but the hold up in opening the sector to non-government companies for the first time in over 40 years may mean India will fall well short of that mark.

State-run Coal India has ramped up production at a record pace, but debt-heavy power companies are not buying fast enough. This has forced the government into power reforms that can only start to yield results in the next few months.

"We're reasonably confident that (the reforms) will help raise demand," Coal Secretary Anil Swarup said. "We are ready, but there would be a little delay in opening

up for private companies."

Swarup, who was earlier aiming to unveil a commercialisation plan around April to double India's coal output by 2020, said the government has already identified mines to auction and that it would proceed quickly once market sentiment improves.

As of now, only Coal India and a small government-owned company are allowed to mine and sell coal in India.

When demand does improve, the plan to open up will likely attract coal block bids from Indian conglomerates such as the Adani Group, but New Delhi may find it hard to lure multinational miners such as Rio Tinto, BHP Billiton, Anglo American and Peabody Energy.

Coal prices have bounced from multi-year lows hit in mid-January but investors are still worried about global oversupply.

Foreign companies have also previously faced obstacles to investing in India, such as problems in getting land and environmental approvals, dampening their appetite for taking on large-scale projects in the country.



Nazeem A Choudhury, head of consumer banking at Eastern Bank, and Razeef Chowdhury, managing director of Watches World, exchange documents of a deal at a programme in Dhaka. The bank's cardholders will now enjoy 3 to 12 interest-free monthly instalments while purchasing any goods from the showrooms of Watches World.

EBL

Chinese coal miners strike over wages, layoffs

AFP, Beijing

Thousands of miners in China's coal-rich northeast have gone on strike over months of unpaid wages, amid fears of mass layoffs as the government seeks to restructure lumbering state-owned industries.

Social unrest is anathema to China's Communist leaders, making the threat of worker discontent a disincentive to the hard choices analysts see as necessary to reform the world's second-largest economy.

Video seen by AFP Monday showed protesters marching through the streets of Shuangyashan city in Heilongjiang province, venting their frustration at Longmay Mining Holding Group, the biggest coal firm in northeast China.

Pictures showed enormous crowds filling the streets.

"I'm on my knees, my family can't eat," an elderly woman pleaded with a man who appeared to be a government official.

"Tell me, how can we live?" she shouted, before collapsing and being rushed away by fellow protesters.

The situation in Heilongjiang exemplifies the dilemma faced by Chinese authorities, who say they want to change the economic model to one driven by consumer demand rather than infrastructure investment and exports.

China's state-owned enterprises (SOEs) are plagued by overcapacity and many are unviable, but the government has been loathe to kill off such "zombie" companies, fearing unemployment could lead to instability.

Nevertheless, it plans to lay off about 1.8 million workers in the steel and coal industries, a human resources and social security ministry official said last month.

In the video footage from

Heilongjiang, dozens of police cars, lights flashing, lined the streets, and protesters complained of violence by authorities as tensions mounted.

"Traffic in the centre of Shuangyashan city was halted," a witness told AFP, adding "some people were hurt".

Pictures from the scene showed what appeared to be police tussling with protesters, with one woman apparently thrown to the ground.

Striking miners held large banners demanding back pay.

"Their main request is to get the delayed incomes from the past several months," the witness said.

The miners' anger spilled into street action after Heilongjiang's governor Lu Hao said the company owed employees no back pay.

At the weekend the provincial government admitted that workers' compensation was in "arrears" following "many years of accumulated problems".

As a result, "not a few workers have encountered difficulties in their lives", it said.

The statement blamed the company's financial woes on inefficiency, saying that it "uses three times as much labour as the national average to produce 10,000 tonnes of coal", resulting in "heavy losses and diminished cash flow".

The firm was "resolutely battling" to implement reforms, it said.

Late last year, 21 miners died in a fire at a mine operated by the company.

Northeast China, a hub for heavy industry, has been particularly hard hit as the country's growth slows, as has the coal industry nationwide.

Consumption of the heavily polluting fuel fell 3.7 percent last year, according to China's National Bureau of Statistics, after a 2.9 percent decrease in 2014.

The Security Printing Corporation (Bangladesh) Ltd Gazipur
Website: www.spchl.org.bd
Local e-Tender for Supply of 536 Pairs Shoes, 116 Pairs Sandles and 1304 Pairs Socks

Electronic tenders (e-Tender) are hereby invited from the competent manufacturers/suppliers for supply of the abovementioned Shoes, Sandles and Socks for this Corporation as per under noted schedule. Tender documents showing terms and conditions with specification will be available at web: etender.spchl.org.bd. It is to mention here that this is an online tender where only e-Tender will be accepted and no hard copy will be accepted except price of tender schedule and earnest money. To submit e-Tender bidders need to register on etender.spchl.org.bd. For more details please contact cell: 881-1534002183 & 881-1534002184. Necessary information is given below:

- Price per e-Tender : 200/- (two hundred) Taka only.
- Date of publish of e-Tender : 15.03.2016.
- Last date & time for submission of e-Tender : 13.04.2016 up to 11.00am.
- Date & time for opening of e-Tender : 13.04.2016 at 11.30am.

Bidders may collect the e-Tender schedule from the abovementioned website. Bidders need to submit earnest money @ 3% (three percent) of the total quoted price in the form of Bank Draft/Pay Order/Irrevocable Bank Guarantee in favour of the "Managing Director, The Security Printing Corporation (Bangladesh) Ltd" along with the price of e-Tender schedule in the form of an account payee Cheque/Pay-Order/DD in the tender box kept at Corporation's Office in Gazipur on or before the scheduled deadline for opening of e-Tender. e-Tender(s) without earnest money and price for procurement of e-Tender schedule shall not be acceptable. The e-Tender shall have to submit as per e-Tender guidelines mentioned at above website. Offer(s) shall be opened as per schedule mentioned above in presence of the tenderer(s) if any. 01 (one) e-Tender schedule is applicable only for one supplier/manufacturer for submitting one offer alongwith earnest money and price of e-Tender schedule. The authority reserves the right to reject or accept any e-Tender without assigning any reason whatsoever. Submission of e-Tender after the specified time shall not be acceptable under any circumstances.

Md. Kalimulla
General Manager (Purchase & Sales)
Phone: 88-02-9205116

GD-635

Dhaka Mass Transit Company Limited
Dhaka Mass Rapid Transit Development Project
Probashi Kallyan Bhaban, Level-13
71-72, Old Elephant Road, Eskaton Garden, Dhaka-1000

Request for Expression of Interest (REOI)

Ministry of Road Transport and Bridges

1.	Ministry	Ministry of Road Transport and Bridges.
2.	Division	Road Transport & Highways Division.
3.	Name of procuring entity	Dhaka Mass Transit Company Ltd. (DMTCL), Dhaka Mass Rapid Transit Development Project (DMRTDP).
4.	Procuring entity district	Dhaka
5.	Expression of interest for selection of certified accounting firms	Internal Audit of DMRTDP.
6.	EDI Ref. No.	DMRTDP/GM (F&A)/225/2015-121 Date: 13/03/2016
7.	Date (dd/mm/yy)	12/03/2016

KEY INFORMATION

8.	Procurement method	sub FC
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FUNDING INFORMATION

9.	Budget & source of funds	Development Budget, GOB.
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PARTICULAR INFORMATION

10.	Project code	5236
11.	Project name	Dhaka Mass Rapid Transit Development Project.
12.	EOI closing date & time	29/03/2016 at 3.00pm.

INFORMATION FOR APPLICANT

13.	Brief description of assignment	Conducting Internal Audit of DMRTDP for FY 2012-13, 2013-14, 2014-15 & 2015-16 for GOB Fund and JICA Loan. Detailed Audit Reports for the mentioned years are to be submitted within the stipulated time schedule. Details will be provided in RFP.
14.	Experience, resource & delivery capacity required	At least 10 year experience in the relevant field. The interested firm should have established office set up in Dhaka with experienced manpower, logistic and other facilities to conduct internal audit and produce required deliverables.
15.	Other details	Certificates of performance of similar services should be attached with EOI.

PROCURING ENTITY DETAILS

16.	Name of the official inviting EOI	Md. Mofazzel Hossain.
17.	Designation of the official inviting EOI	Project Director, DMRTDP & Managing Director, DMTCL.
18.	Address of the official inviting EOI	Dhaka Mass Transit Company Ltd. Dhaka Mass Rapid Transit Development Project Probashi Kallyan Bhaban, Level-13 71-72, Old Elephant Road, Eskaton Garden, Dhaka-1000 Phone: 9359828, Email: pd.dmrtdp@gmail.com or md.mofazzel@yahoo.com
19.	Contact details of the official inviting EOI	As in 18.

The procuring entity reserves the right to accept or reject any EOI.

Md. Mofazzel Hossain
Additional Secretary
&
Project Director
Dhaka Mass Rapid Transit Development Project
Phone: 9359828

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