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 Companies, Activities, Key Personnel, Agencies

**BRIEFLY...**  
 Support for Taiwan

WASHINGTON, Mon. — A Taiwanese request to Washington for F-16 fighters is being backed by some high officials in the Reagan Administration, The Washington Post reported today.  
 It said the officials in the White House and the State Department feel it is "important for the US to maintain friendship with Taiwan." The State Department, however, refused to comment on the report: "We've said nothing official about Taiwan." — AFP

Food crisis unlikely

LONDON, Mon. — A world food crisis is now likely to be averted as wheat production soars to a record in the coming crop year, according to the latest projection by the International Wheat Council (IWC).  
 After a meeting in London last week, the council forecast that world wheat production in the 1981-82 season ending next June should rise sufficiently to exceed the expected rise in consumption. — Reuters

Curbs on Japanese imports

TOKYO, Mon. — Taiwan took steps in January to regulate imports from Japan as a "warning" against Japan's ignorance of its swelling trade surplus with Taiwan.  
 Wu Kuan-Hsiung, president of the Taiwan External Trade Development Association, said the Taipei government has been forced to take the measure because Taiwan suffered a deficit of US\$3.18 billion in trade with Japan last year.

Anti-strike demonstration

SYDNEY, Mon. — About 22,000 marchers joined a demonstration against unnecessary industrial labour disputes and strikes in Sydney today.  
 The "We care" march covered a distance of four city blocks and was led by Leanne Hayward, a 30-year-old Sydney sales manager. Speaking after the half-hour march, she said: "We care; it looks like a lot of people care. My cause is Australia for Australians. We are all against wild-cat strikes and unnecessary industrial disputes." — UPI

Japanese denial

TOKYO, Mon. — Japan's three major car makers, the Japan Auto Manufacturers Association (Jama) and the Ministry of International Trade and Industry (MITI) denied that they had agreed to cut back voluntarily on exports to the United States.  
 Spokesmen for Toyota, Nissan, Jama and Mitl, reacting to a weekend report in a US newspaper, said there had been no discussions between the government and the car makers about such cutbacks. — AP

Freedom by any means

ISLAMABAD, Mon. — Pakistan said it would support any means Syria uses to free the more than 100 hostages aboard a hijacked Pakistani plane in Damascus.  
 In another twist to the eight-day drama that has shifted from Afghanistan to Syria, Pakistani military officials said there are only 104 hostages aboard the Boeing 720 jetliner held by three hijackers. They had earlier said there were 115 aboard. — UPI

Flights cancelled

LONDON, Mon. — All scheduled flights in and out of Britain were cancelled and military personnel took over key defence communications and computer installations because of a one-day strike by civil servants for higher pay.  
 Heathrow closed completely for the first time since it took over from Northolt as Britain's principal airline gateway. All other major airports at Gatwick, Manchester, Prestwick and Edinburgh also closed down but a few charter flights took off from minor airfields. — UPI

GOVERNMENT ENGAGES ROTHSCHILDS  
**Banker to head investment body**

By MARGARET THOMAS

TOP LOCAL banker Yong Pung How is to head the proposed Government Investment Corporation in what will be the first stage of a major infusion of local and foreign private sector expertise into government financial bodies.  
 The foreign expertise inflow will begin with the consultancy services of leading London merchant bank N M Rothschild & Sons (NMR).  
 NMR will assist in the setting up of the Investment Corporation, the reorganisation of the International Department of the Monetary Authority of Singapore, the review of the portfolio of the MAS and the Currency Board and provide general investment consultancy services.  
 The Government has also made arrangements for the long-term training of staff of the MAS and the Investment Corporation.  
 This will involve talented staff being sent on long attachment with NMR and the training of Singaporeans in computerised systems of econometric modelling and forecasting by the Wharton School.  
 Mr Yong, 54, has been granted a year's no-pay leave by the Overseas-Chinese Banking Corporation where he has been vice chairman for the last four financial bodies.  
 On April 1, he will begin work as managing director of the Investment Corporation which will have an estimated \$10 billion to \$15 billion of Singapore's reserves to manage.  
 At the same time, merchant banker Lim Ho Kee, currently vice president of Morgan Guaranty Trust Company, Singapore, will take over as chief manager of the International Department of the Monetary Authority of Singapore.  
 Mr Lim was to have left Morgan Guaranty for a post with the Overseas-Chinese Bank, but OUB has agreed to his secondment to the MAS for a period of 18 to 24 months.  
 Announcing these appointments yesterday, MAS chairman Dr Goh Keng Swee said, "The three banks have been very cooperative in making available the services of senior members of their staffs."  
 "The Government," he added, "is searching for more high-calibre staff both in Singapore and abroad, as well as other investment consultants. Partly for this purpose, I shall be visiting some overseas financial centres between 18th and 31st March."  
 "I shall have to seek the secondment of other senior members of other banks in Singapore to provide the back-up of bankers experienced in Singapore conditions and practice."  
 Among the banks Dr Goh is expected to visit when abroad are Orion Bank and Morgan Grenfell in London and Salomon Brothers and First Boston Corporation in New York.  
 Meanwhile, two World Bank economists are to take up positions with the Singapore Government. Dr Chua Wee Meng, 36, will start work as special assistant to Dr Goh Keng Swee on April 1. He will be on a two-year secondment from the International Finance Corporation, a World Bank subsidiary. Dr Teh Kok Peng, 33, will join the MAS on Aug 1 as head of the Economics Department.  
 The Government's consultancy agreement with NMR will see the arrival next month of Miss Kate Mortimer, the 34-year-old assistant director of the bank's international cash management division.  
 An Oxford-trained economist who has served with the World Bank and former British Prime Minister Edward Heath's think-tank, Miss Mortimer will spend some six months in Singapore.  
 Other senior members of NMR will come to Singapore as and when necessary for consultation. These could include the bank's director Mr Richard Katz and vice chairman Sir Claus Moser.  
 NMR has also agreed to take on two MAS or Investment Corporation staff each year for a two-year training programme. During this time, they will work as staff members of the bank and will receive the same pay as those of equivalent rank.  
 And Dr Chua Wee Meng has obtained the Wharton Econometric Forecasting Associates agreement to train 12 Singaporeans in computerised systems of econometric modelling and forecasting. Wharton's head is Professor Lawrence Klein who won the Nobel prize last year for his contributions to econometrics.  
 Training by the Wharton staff will take place in both Singapore at the National University of Singapore and the Wharton School in the University of Pennsylvania.  
 Local banker and Goodwood chairman Khoo Teck Puat is funding the \$750,000 programme. The Singapore end of the project is being handled by Professor Saw Swee Hock.  
 In his statement, Dr Goh adds that the MAS has engaged the services of American financial software house EDF Worldwide Corporation in its computerisation programme.  
 A six-man team headed by Mr Bill Banks recently left back page... col 3

Choice comes as a big surprise

N M ROTHSCHILD's role as investment consultant in Investment Corporation came as a big surprise to many bankers.  
 Hitherto known primarily as a big gold trader in Singapore, the merchant bank has made a surprising leap to the forefront of Singapore's next phase as a major financial centre.  
 Closer scrutiny, however, shows Rothschild to be a logical choice after all, particularly in the background of its officers, such as Kate Mortimer, is known. This 34-year-old assistant director of N M Rothschild of London has had considerable experience in loans and international cash management.  
 Assistant to N M Rothschild director Richard Katz in the international cash management division since 1978, she has been managing cash reserves of central banks and multinational corporations worldwide.  
 Her coming trip to Singapore is expected to lay the groundwork for future recommendations by Rothschild. Already, Rothschild in London is reviewing the situation in Singapore based on information supplied by the local office.  
 This is certainly fast and enthusiastic work because Rothschild itself knew of its appointment as consultant to the MAS and Investment Corporation only a week ago.  
 Industry circles said the authorities had approached several merchant banks and banks over the past three to four months, seeking their views on areas in which the Corporation and MAS should examine.  
 Rothschild, however, will not be involved in decision-making or in direct fund management.  
 In 1970, he became chairman and managing director of SIMBL, an OCBC subsidiary. He held both positions until SIMBL's re-organisation in 1977, after which he retained the task of chairman

Chequered careers of two bankers

THE FIRST two local bankers called upon to bring private sector expertise and vitality to the MAS and the Investment Corporation have had chequered careers.  
 YONG PUNG HOW, 53, prominent lawyer, banker and businessman had long been recognised as a likely candidate for one of the top positions in Dr Goh's new structure. A graduate of Cambridge University and the Harvard Business School, he practised law at his father's firm, Shook Lin and Bok.  
 Mr Yong's banking career began in 1966 when he accepted an appointment by the Central Bank of Malaysia to re-organise a stricken Malayan Banking, and served as its vice-chairman until 1971.  
 In 1970, he became chairman and managing director of SIMBL, an OCBC subsidiary. He held both positions until SIMBL's re-organisation in 1977, after which he retained the task of chairman  
 He was then, too, that Mr Yong became vice-chairman of OCB itself.  
 He is currently a director of Straits Trading, Wearne Brothers and other companies, apart from his being a member of the Securities Industry Council.  
 Fast-riser Lim Ho Kee, in his early 40s, is a graduate of the London School of Economics.  
 First with the Development Bank of Singapore, he joined the Singapore branch of Morgan Guaranty Trust in 1975. After a year's training in New York, he became the bank's assistant treasurer, and later, the bank's assistant vice-president.  
 In 1978, he became managing director of Morgan Guaranty Pacific, the merchant banking arm of Morgan Guaranty Trust, and vice-president of MGT itself. In mid-1980, he was promoted head of the treasury and foreign exchange department of MGT.

CPF insurance scheme

MEMBERS of the Central Provident Fund (CPF), including Singapore citizens and permanent residents holding Singapore identity cards, will be insured under the Dependents' Protection Scheme now being finalised by the CPF Board.  
 He assured insurers that the scheme is not meant to encroach upon the insurance industry but is meant to protect the man-in-the-street.  
 Since 1968, when CPF savings were allowed to be withdrawn for the purchase of flats, an overwhelming number of workers have taken them out.  
 The worrying factor, however, is that most of these flats are not insured at all. If the flats are insured, at least the dependants will have a place to live should the breadwinner die or be unable to work.  
 Mr Ong, who was addressing the Life Underwriters Association's (LUA) third annual sales congress at the Shangri-La yesterday, said the Government's main aim is to protect dependants of workers who die young or who are incapacitated and whose CPF balances are low.  
 The Government is also alarmed at the vulnerability to sudden destitution of dependants. This is especially true of dependants of workers who are in their early working life because the latter are not likely to have accumulated much in CPF savings.  
 Of the total number of active CPF contributors, 96.2 per cent had less than \$5,000 while 76.1 per cent had less than \$10,000 in their accounts.  
 Mr Ong said: "If many of our workers have life insurance policies to provide for themselves and their families, this would not have mattered."  
 But statistics show that at the end of last year, there were only some 281,000 life insurance policies. The average cover was about \$22,000. This meant that only about 30 per cent of adults employed were insured. The other 70 per cent relied entirely on their CPF savings for protection.  
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Trading in shares of DBS and UIC suspended

THE DEVELOPMENT Bank of Singapore and the United Industrial Corporation (UIC) requested the Stock Exchange of Singapore to suspend trading in their shares yesterday, pending separate announcements.  
 UIC's shares were suspended at about 3.55pm yesterday after a rapid jump in the share price from \$1.88 to \$11.75, while the suspension of DBS's shares takes effect today.  
 DBS is expected to announce its annual results which should show good profits for the year ended Dec 31, 1980, following excellent interim pre-tax profits of \$29.58 million.  
 It is believed the results would be accompanied by a major announcement relating to the group's restructuring. DBS had earlier announced a reorganisation of its diverse activities into four main groups, namely wholesale banking, consumer banking, international banking, and investment banking.  
 The operations of the finance subsidiaries as well as property units will also be segregated from banking activities.  
 DBS recently grouped its real estate subsidiaries under a new public company known as DBS Land.  
 Observers also expect a bonus issue from the bank. DBS shares yesterday closed 18 cents lower at \$2.25.  
 UIC is expected to announce a bonus cum rights issue, following the recent 18-fold increase in its authorised capital to \$300 million. The company plans to channel more resources into property development.  
 The group may also revalue its most valuable asset, the UIC Building at Raffles Way. This is 65 per cent owned by the group's property development subsidiary, UIC Development (Pte).

SIC denies having talks with Morgan Guaranty

THE Securities Industry Council (SIC) yesterday made it clear that it did not hold discussions with merchant banker Morgan Guaranty Pacific on certain rules of the Singapore Take-over code in connection with Malaysian United Industries' bid to take over Hotel Malaysia and Ming Court Hotel.  
 SIC's explanation was in response to an earlier report which said that Morgan Guaranty Pacific had consulted the council on its interpretation of certain rulings in the Take-over code before Malaysian United Industries (MUI) signed an agreement with Goodwood Park Hotel to acquire the latter's majority stakes in Hotel Malaysia and Ming Court Hotel.  
 Morgan Guaranty did not consult the council but merely informed it through the Secretariat on Feb 19 that an unnamed party was about to acquire controlling interests in two listed subsidiaries of Goodwood Park Hotel and all shareholders would be given equal treatment, SIC said in a statement.  
 "No further approach was made to the Secretariat by the parties to the take-over before the joint announcement was made on Feb 22 and no written submissions have been made to the council in this regard either before the announcement or up to date on the issue of whether a cash alternative was required," it added.  
 This statement, said SIC, "should dispel any confusion that might have existed in the minds of the parties to this takeover and the investing public."  
 SIC was particularly concerned over the implications in recent press reports that it first advised MUI that no cash alternative was required and then subsequently ruled that a cash alternative was necessary.  
 It regarded these apparent inferences as "sufficiently serious to warrant an investigation". This was carried out by SIC on March 6 to establish what transpired at the meeting that representatives of Morgan Guaranty and Goodwood Park Hotel had with the Secretariat on Feb 19.  
 MUI was initially advised that it could acquire the minority shareholdings solely by offering its shares as consideration until the SIC ruled that it had to make a cash alternative of \$21.50 per share.  
 Meanwhile, Goodwood Park Hotel, in reply to a query by the Stock Exchange of Singapore, said it was its wholly-owned subsidiary Glen Holdings and not the Goodwood group that was a party to the sale of 8.5 million shares in Hotel Malaysia and 9.5 million shares in Ming Court Hotel to MUI.  
 "In law, therefore, it is for the shareholders of Glen Holdings to approve and ratify the sale and not the shareholders of Goodwood Park Hotel," it said.  
 Further, as the sale involved 27 per cent of the net assets of the Goodwood group, it did not consider it a substantial part of its business and therefore questioned the need to call an extraordinary general meeting.  
 Goodwood added, however, that reference would be made to the sale at its annual general meeting on March 25 when shareholders would be given the opportunity to state their views.

**Chief Price Changes**

**SINGAPORE**

Rises	Indices
M U J 2150 +230	Mar 6 Mar 9
U F C 1070 +130	B.T. Indicator: 40184.71 41238.19
Males 720 +80	Industrials: 818.09 818.05
Magnum Corp 1130 +80	Finance: 1527.03 1533.70
Banyo 420 +70	Hotels: 1338.25 1341.53
K S Ridge 432 +44	Properties: 762.25 775.19
Jacks Int 422 +44	Mining: 423.38 423.38
Sel Properties 1700 +40	Plantations: 941.28 942.50
Metro Ridge 1100 +35	OCBC: 811.61 814.90
Island & Pen 965 +35	SES Ind: 799.13 779.89

**Falls**

Straits Trading 1380 -70	Most Active
O U E 1170 -30	Haw Par 225,000
Pail Maia 610 -30	Faber Merin 719,000
Intra 420 -30	Magnum 621,000
Genting 1350 -20	M Credit 428,000
F M C 1370 -20	Total turnover: 13.29m
Bhanjri-La 1130 -20	Total value: \$72.85m
H Leong Credit 730 -20	

**KUALA LUMPUR**

Rises	Indices
M U Ind 2230 +230	Mar 6 Mar 7
Timuran 720 +80	B.T. Index: 127098.03 130712.11
Rahman Hyd 1640 +80	Industrials: 1012.12 1023.46
Jacks Int 450 +50	Finance: 1496.25 1500.80
Talam 450 +50	Hotels: 531.18 531.51
Magnum 1230 +50	Properties: 965.09 980.84
Sel Prop 1880 +50	Ties: 494.40 510.10
Troch 1250 +50	Rubbers: 1333.00 1337.27
Carlsberg 830 +40	Most Active
Dunlop 860 +40	P Textile 351,000
Rothmans 900 +40	F Merin 345,000
	Magnum 345,000
	FC Wira 198,000
	Total turnover: 7.19m
	Total value: M\$58.53m

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KL 812	Monday	1840	KL 836	Sunday	1920
KL 832	Tuesday	1935			
KL 846	Wednesday	2130			
KL 844	Friday	2130			

Winter Schedule: 1 November 1980 to 28 March 1981

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