BANK ASIA

A Rouf Chowdhury, chairman of Bank Asia; Rumee A Hossain, chairman of the bank's executive committee; Dilwar H Choudhury, chairman of the bank's audit committee; Ashraful Haq Chowdhury, Enam Chowdhury, and Romana Rouf Chowdhury, directors; Sohana Rouf Chowdhury, managing director of Rangs Motors Ltd; and Md Arfan Ali, president and managing director of the bank, open the bank's renovated Gulshan Branch at an event styled 'Glorify the Revamp' in the capital yesterday.

Facebook results beat forecasts but shares take a hit

AFP, *San Francisco*

Facebook agreed to pay $550 million over a privacy lawsuit as shares dropped even with the social media giant reporting stronger than forecast earnings.

The leading online social network said net income rose seven percent from a year ago to $7.3 billion, while revenue increased 25 percent to $21 billion in the final three months of last year.

But in an earnings call Wednesday, Facebook's Facebook chief financial officer David Wehner confirmed a $550 million settlement "in connection with the Illinois Biometric Information Privacy Act litigation".

The Illinois settlement -- which still requires a judge's approval -- was based on allegations that users' biometric data was illegally gathered using photo-scanning technology and then stored.

"We decided to pursue a settlement as it was in the best interest of our community and our shareholders to move past this matter," Facebook was quoted by Bloomberg as saying.

Shares may have also been weighed down by worries about privacy regulations hobbling the company's ability to effectively target its money-making ads.

Wehner also told analysts the company expects revenue growth to slow, in part due to regulations and "other ad-targeting related headwinds." Recent data privacy regulations in Europe and California as well as enhancements to browser or operating system software from Google and Apple, along with tools added by Facebook itself, are expected to limit the ability of the social network to use "signals" from third-party websites to more finely target ads, Wehner said.

Facebook posted gains in advertising, which represents the vast majority of its revenues, up 25 percent at $20.7 billion in the quarter. It also expanded its user base.

"Despite all of the concerns that have been swirling around the company in the past two years, it beat expectations on revenue, and it demonstrated continued growth in its user base," said eMarketer principal analyst Debra Aho Williamson.

The market tracking firm expects Facebook's momentum to continue, with advertisers increasing spending at the social network and its Instagram service.

AFP

A giant digital sign is seen at Facebook's corporate headquarters in Menlo Park, California on Tuesday.

The number of people using Facebook monthly climbed eight percent to 2.5 billion. For all its apps including Instagram, Messenger and WhatsApp, the figure was 2.89 billion.

Despite CEO Mark Zuckerberg reporting stronger than forecast quarterly earnings and user growth during the earnings call, shares dropped more than seven percent.

"We had a good quarter and a strong end to the year as our community and business continue to grow," said Zuckerberg.

Investors may be concerned about the continuing increases in the amount of money Facebook spends as it pours resources into protecting privacy and preventing the network from being used as a platform for hate speech, abuse, and disinformation.

Costs in the recently ended fourth quarter rose 34 percent to $12.2 billion. Facebook ended the year with its employee ranks up 26 percent to nearly 45,000.

Facebook has faced a barrage of criticism recently for the misuse of users' data to influence elections amid increasing calls for the California-based internet titan to be regulated. This week, it began rolling out a new tool allowing users to view and delete data it collects from third parties.

The feature is part of an effort to shore up Facebook's image in the wake of a series of privacy scandals, including the hijacking of personal data on millions of users by a British consultancy developing voter profiles for Donald Trump's 2016 campaign.

Zuckerberg said the company was "very focused on election integrity," adding he was "proud of the progress that we've made in preventing foreign interference." "We were behind in 2016, but after working to protect elections and countries across the world for the past few years, we think our systems are now more advanced."

Samsung Electronics Q4 net profit slumps 38pc

AFP, *Seoul*

The world's biggest smartphone maker, Samsung Electronics, reported a slump in fourth-quarter net profits on Thursday, blaming weakening demand in key products and falling chip prices.

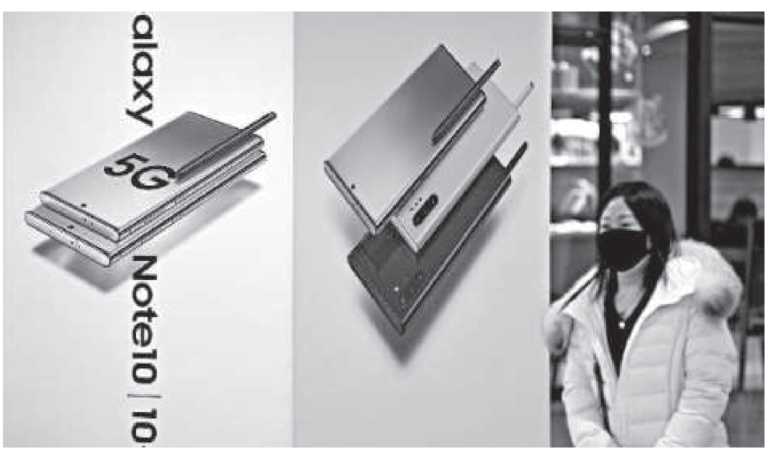
Net profit in the October-to-December period was 5.23 trillion won ($4.4 billion), down 38 percent from a year ago, it said in a statement.

"Fourth-quarter profit dropped from a year earlier due to the continued fall in memory chip prices and weakness in display panels," Samsung said in a statement.

The firm is the flagship subsidiary of the giant Samsung Group, by far the largest of the family-controlled conglomerates known as "chaebols" that dominate business in the world's 12th-largest economy.

But it suffered a series of difficulties in 2019, with the global memory chip market -- which has driven profits in recent years -- hit by rising supply and falling demand.

The premium smartphone market has also grown fiercely competitive, with buyers waiting longer before upgrading to new models. Samsung said it expects "weak sales from seasonality in memory chips, OLED and consumer electronics" in the first quarter of 2020 as the firm navigates "continued uncertainties in the global business environment".



AFP

A woman walks past an advertisement for the Samsung Galaxy Note10 5G smartphone at a showroom in Seoul yesterday.

Operating profit dropped more than 30 percent year-on-year to 7.2 trillion won, while sales in the fourth quarter stood at 59.9 trillion won. For full-year 2019, the firm reported net profit of 21.7 trillion won, down 51 percent from a year ago. Samsung shares closed down 3.2 percent in Seoul.

Samsung has been strained by a trade war between China and the US and caught in a diplomatic row between Seoul and Tokyo over wartime history, with Japan imposing tough restrictions on exports crucial to South Korean tech giants in July.

In another shadow hanging over the firm, its vice chairman and de-facto leader Lee Jae-yong is on trial for the second time over a sprawling corruption scandal that led to the impeachment of South Korea's former president Park Geun-hye.

A guilty verdict and long prison sentence would deprive the firm of its top decision maker.

Lee was initially jailed for five years in 2017 on multiple charges including bribery, then released after several of his convictions were quashed, only for the Supreme Court in August to order a retrial.

In the mobile business, strong demand for Samsung's mid-range A-series handsets gave the firm a much-needed boost over the last few quarters, said Gerrit Schneemann, a senior analyst at IHS Markit.

The premium devices, such as the latest Galaxy Note that was widely available in the fourth quarter, faced competition from Apple -- which reported its best-ever quarter powered by the new iPhone 11 and iPhone 11 Pro models.

"A strong quarter from Apple in key markets will have had an impact on Samsung," Schneemann told AFP.

In 2020, Samsung is pinning its hopes on increasing availability of 5G telecom services driving sales of its handsets -- it is a world leader in the technology -- and said it will roll out an "enhanced" 5G lineup.

Global demand for the superfast 5G handsets in 2019 was higher than expected, with nearly 19 million units shipped worldwide, according to the latest data from market researcher Strategy Analytics.

Unilever to review global tea business as sales growth slows

REUTERS

Unilever has launched a strategic review of its tea business, including the PG Tips and Lipton brands, as Chief Executive Alan Jope looks to boost group sales that grew at their slowest in a decade in the past quarter.

The company said the review was triggered by slowing sales of traditional black tea in developed markets as consumers shift toward herbal tea. Black tea is the dominant part of Unilever's tea business, said finance chief Graeme Pitkethly, selling in 60 countries and generating 3 billion euros ($3.3 billion) in annual sales.

"We will look at all options for the business," Pitkethly said, adding that this could include a partial or full sale.

Thursday's results announcement cap a tough year for a group that has registered stuttering growth in India and China, two of its biggest emerging markets, and intense competition in North America and Europe, drawing investor scrutiny of strategy under Jope.

Six months after taking the helm in January last year Jope announced his attention to target sustainability rather than topline growth. The CEO said he would streamline Unilever's vast portfolio by focusing on what he described as "brands with purpose", adding that these were its fastest-growing assets.

The so-called brands with purpose, including Dove, Knorr and Persil, contributed almost two thirds of revenue and drove 75 percent of sales growth in the first half of 2019, the company said. Among those that don't cut it Jope has identified Marmite, Magnum Ice Cream and Pot Noodle.

But there have been no disposals as yet, though rivals Nestle and ABInBev have each sold food operations worth billions of dollars over the past year to refocus on their core businesses.

"We are pleased to see some progress on the disposals strategy," Liberum analyst Anubhav Malhotra said of the review of the tea business.

AMTOB

Michael Foley, *seated centre*, outgoing president of the Association of Mobile Telecom Operators of Bangladesh (Amtob) and CEO of Grameenphone, presides over the association's annual general meeting at a hotel in Dhaka on Tuesday. Amtob elected Mahtab Uddin Ahmed, *second from left*, CEO of Robi, as its president for the next 2 years. Erik Aas, *second from right*, CEO of Banglalink, and Yasir Azman, *extreme right*, CEO (designate) of Grameenphone, became senior vice president and vice president respectively.

Report highlights perils of the digital gig economy

AFP, *London*

From hidden costs and poor wages to the pressures of being constantly available and lack of career development, many workers feel there is no way out of the digital "gig economy", according to a new report published on Wednesday.

Technology think-tank Doteveryone said such jobs via mobile applications offered "flexibility and freedom" for people with existing skills and financial means.

"But for those who don't, the app has become a trap. They have no option but to work gigs, and no way out once they've begun," it said in the report, "Better work in the gig economy".

The think-tank said one in 10 Britons takes a job via a digital platform at least once a week, to provide ever-more demanding consumers with services from taxi rides, hairdressing and takeaway meals to home repairs or babysitting.

It said the "gig economy", in which nearly five million people work in the UK, works for some self-employed people, giving them a degree of freedom and a comfortable income. Sometimes nicknamed "zero-hour jobs" because they do not guarantee any minimum working hours, these jobs also contribute significantly to the UK's record-low unemployment rate.

Many employees said they were satisfied with their income, either full-time or as a supplement to another activity.

But many employees said gig work was "like quicksand -- low pay becomes unlivable pay after costs are accounted for -- and the promise of flexibility is an illusion when, in reality, workers must be available 24/7 and scrabble for every gig available".

They live under the stress of constant customer evaluations that can call into question their ability to receive future orders, and complain of being treated like robots by their employers.

AFP/FILE

Demonstrators including Uber drivers, couriers and other outsource and contract workers march to call for more favourable employment rights for those engaged in 'precarious work' in central London.

British director Ken Loach's latest film "Sorry We Missed You" depicts the difficulties of an employee of a delivery company who works at such a fast pace that his health and family life suffer. He then finds himself in a financial impasse after accumulating debts to buy his van and deal with damage to his equipment.

Doteveryone's report recommends the introduction of a minimum wage for workers in the "gig economy" "that accounts for the costs of doing gig work".

The think-tank also proposed that companies should set up human contact points to answer questions from their employees, instead of automated systems.

The centre's chief executive, dotcom entrepreneur Martha Lane Fox, said: "The gig economy can be fantastically empowering if you can work on the terms you wish for. "But it can also be destabilising, dehumanising and dispiriting if you don't." Convenience "must not be traded for the rights of people to work with financial security and dignity and to fulfil their dream for the future", she added.

Jaguar Land Rover boss to step down in September

REUTERS, *London*

The boss of Jaguar Land Rover (JLR) will step down from his role at the end of his contract term in September as Britain's biggest carmaker shows signs of improvement after a torrid 2019 of job cuts, deep losses and falling sales.

Ralf Speth has led the company since 2010 during which it has pursued a major global expansion with new factories in China, Brazil and Slovakia putting it on course to make 1 million cars per year.

But sales ended last year at just over 550,000 vehicles as the firm was slower than some rivals in electrifying its line-up whilst large drops in diesel demand and a slump in China, the world's biggest autos market, hit its performance.

JLR posted a 6 per cent decline in 2019 sales but it has bounced back in China in recent months and overall company sales rose by 1.3 per cent in December. Speth will stay on as non-executive vice chairman at JLR and will remain on the board of Tata Sons, the parent group of Tata Motors which owns JLR, the firm said in a statement.

"A search committee has been formed which will work with me to identify a suitable successor in the coming months," said Tata Sons Chairman N Chandrasekaran.

JLR posts third-quarter results as part of Tata Motors later on Thursday.