



**Zunaid Ahmed Palak, state minister for ICT; Mustafa Osman Turan, Turkish ambassador to Bangladesh; Mahtab Uddin Ahmed, CEO and managing director of Robi Axiata, and Md Sahariar Hasan Jisun, founder and chairman of Bloodman, inaugurate a "Tour for Social Goods" initiative of the embassy and Bloodman on the embassy premises in Dhaka on October 29. With the ICT Division as guide, Robi Axiata as impact partner and The Daily Star as media partner, the initiative is aimed at promoting a culture of safe travel engaging youths in community development activities while boosting the tourism industry.**

## Canada border agent says he received unusual FBI phone call in Huawei CFO US extradition case

REUTERS, Vancouver/Toronto

A Canadian border official testified on Friday he received an "out of the ordinary" request from the FBI for the phone number of the supervisor on duty the next day when Huawei Chief Financial Officer Meng Wanzhou was to arrive in Canada.

Bryce McRae, a superintendent with the Canada Border Services Agency (CBSA), testified in British Columbia Supreme Court that the FBI did not in fact call agents at Vancouver International Airport the following day.

The call from the Federal Bureau of Investigation employee lasted "maybe a minute or two" and was "out of the ordinary," McRae said. He informed

her that he would be on duty and gave her his number, but did not know why she asked for it.

Meng's lawyers have argued that the FBI conspired with the CBSA, the Canadian federal police and others at the time of her arrest to mount a "covert criminal investigation."

Meng, 48, was arrested on a US warrant while on a layover at the airport, bound for Mexico. The United States charged her with bank fraud, accusing her of misleading HSBC about Huawei Technologies Co Ltd's business dealings in Iran, causing the bank to break US sanctions.

Meng has said she is innocent and is fighting the charges from Vancouver where she is under house arrest, monitored by private security at her

home in the upscale neighborhood of Shaughnessy.

This week's witness cross-examination forms part of Meng's US extradition hearing, where her lawyers have tried to back their claims that her rights were abused during her arrest and errors were made, such as the sharing of her passcodes with police.

Prosecutors for the Canadian government have tried to prove that Meng's arrest was by the book, and any lapses in due process should not affect the validity of her extradition.

Earlier on Friday, Scott Kirkland, another border official who questioned Meng before police arrested her, told the court he was "red-faced" when he realized he mistakenly gave her phones' passcodes to the police.

## Ant Group's IPO sees record \$3tr in retail demand

REUTERS, Hong Kong

Retail investors placed bids for a record \$3 trillion of shares in Ant Group Co Ltd's initial public offering (IPO), set to be the world's biggest, as mom-and-pop savers bet on demand for its financial services in China.

Ant's dual listing is set to raise about \$34.4 billion, split fairly evenly between Shanghai's STAR Market and Hong Kong, topping Saudi Aramco's \$29.4 billion listing last December.

Investors, both retail and institutional, are rushing to buy into Ant, which operates China's biggest payments platform and other financial services, despite risks of greater scrutiny at home and abroad.

The Shanghai leg of the IPO drew about 19 trillion yuan (\$2.8 trillion) of bids from retail investors, or 872 times the number of shares earmarked for them, a company filing to the stock exchange showed on Thursday.

The Hong Kong tranche got HK\$1.3 trillion (\$168 billion) in bids, or 389 times the shares on offer, said people with knowledge of the matter on Friday, declining to be identified as the information is not public yet.

The bookbuilding for the Hong Kong leg of the IPO of Ant, backed by e-commerce behemoth Alibaba, ran from Monday to Friday, while books for the Shanghai leg were open for one day on Thursday.

The \$3 trillion of retail investor bids, equivalent to the gross domestic product of the United Kingdom, comes against the backdrop of shaky global markets ahead of next week's US presidential election and a dour global economic outlook.

Investors in the IPO, however, have brushed aside company-specific and broader market concerns on hopes that Ant will continue to benefit from the rapid digitization of financial services in China.

Harrison Chan, a 25-year-old financial professional in Hong Kong, spent 40 per cent of his monthly income on applying for Ant shares, and is now wondering whether he will



**A thermal imaging camera is seen in front of a logo of Ant Group at the headquarters of Ant Group, an affiliate of Alibaba, in Hangzhou, Zhejiang province, China on October 29.**

get any, given the large number of bids made.

"I am confident in the company's future prospect because it is involved in many different businesses ... and they are all online services, which is the direction the world would be heading to, so I think its potential is huge," Chan said.

Starting as a payments processor in 2004, Ant has built an empire in China by offering its users short-term loans that are credited within minutes, and selling insurance and investment products.

The unprecedented retail frenzy for Ant shares is backed by massive amount of margin lending by financial institutions, with brokerages in Hong Kong lending billions.

Hangzhou-based Ant decided to exercise a so-called greenshoe option to increase the share offer by 15 per cent and is now selling a total of 1.92 billion shares on the Nasdaq-style STAR Market, according to Ant's filing with the Shanghai exchange.

The company on Monday set the price of the Shanghai leg at 68.8 yuan (\$10.27) per share. Before the greenshoe, it was offering 4 per cent of the initial 1.67 billion shares to mainly retail investors across the country.

Retail investors' enthusiasm towards Ant's flotation has triggered a clawback mechanism, where their heavy over-subscription could result in them receiving a greater share, Ant said in the Shanghai filing.

"It's a definite thing that one day a Chinese company will have the largest IPO ever but it just came quick," said Beijing resident Ms Qin, 23, a consultant with one of the leading banks in China, declining to give her first name.

"This has very much to do with China's growing economic size and its huge population contributes a lot to Ant's businesses," said Ms Qin, who has applied for Ant shares in Shanghai. "I am confidently investing in Ant due to its promising future."

## Joint venture to build Tk 2,000cr cancer hospital

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Under the joint venture, Ship Aichi Medical Services, a 30-storey hospital will be built although they have got permission for 40 floors, according to Hossain.

The hospital will create at least 2,500 jobs and will employ 200 Japanese specialised medical professionals, including oncologists and nurses.

"Ten per cent of the beds will be dedicated to the poor who will receive treatment free of cost."

The joint venture has requested the government to ease work permit for Japanese specialised doctors and nurses.

Technologies run by artificial intelligence will be introduced in the hospital for diagnostic purposes. It will put in place proton therapy for the patients, which is very sophisticated and costly.

"The therapy, which can weed out cancer cell completely, has never been used in the South Asia region," Hossain said.

The hospital will ease the hassles for around 4-5 lakh patients, who go aboard every year for cancer treatment, he said.

"We want to provide cancer treatment facilities of Japanese standards in Bangladesh."

Aichi Medical Group started its journey in 1995 and is now involved in medical, dental and nursing education along with research and development in the field.

Ship Healthcare has 300 hospitals in Japan and the group has good connections with globally renowned hospitals.

Ship Aichi Medical has signed agreements with international organisations such as Mahidol University in Thailand, Nagoya University in Japan, Osaka International Hospital for Cancer and Heart Disease Japan, and Bangkok Medical Group Bangkok to upgrade services and carry out exchange programmes.

"Japanese companies came to provide quality treatment, not for doing business, as the cancer patients in Bangladesh do not get quality treatment due to a lack of dedicated necessary cancer hospitals," said Hossain.

Every year, around 1.5 lakh people develop cancer in Bangladesh, according to World Health Organisation.

Prof Hossain said the number of cancer patients was increasing day by day in the country.

There are 15 state-run hospitals and units that treat cancer patients in Bangladesh alongside 22 private hospitals, according to the Cancer Awareness Foundation Bangladesh, a non-governmental organisation.

## USAID announces plans to get brands on board

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This will be carried out in collaboration with the region's public and private sector alongside the US Department of Energy national laboratories, and United States Energy Association.

Secretary of State Michael Pompeo, Secretary of Commerce Wilbur Ross and Secretary of Energy Dan Brouillette spoke at the forum.

Meanwhile, the US, Australia, Japan, and Palau on October 28 announced of moving forward with financing for the construction of an undersea fibre optic cable to the Palau which would ensure reliable, secure digital connectivity.

The statement also spoke of an Infrastructure Transaction and Assistance Network (ITAN), whose projects span the Indo-Pacific, with several in Bangladesh, India, Vietnam, Laos, Indonesia, the Philippines, and Thailand.



**Mohammad Mejbahuddin, chairman of Bangladesh Development Bank, presides over the bank's 10th annual general meeting through a digital platform on October 28. Kazi Alamgir, CEO, was present.**

## Shift to formal channels, cash incentives fuel remittance growth: WB

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"Travelling has almost come to a halt due to the ongoing pandemic and it has dealt a big blow to the hundi system," Zahid Hussain, former lead economist at the World Bank's Dhaka office, told The Daily Star earlier.

Yesterday, he said Bangladeshi workers were largely employed in the sectors that are essential to the economies of the host countries, for which it took time for them to become unemployed.

"But their incomes are not rising. Our stock of migrant workers is not growing as well," he said.

The WB, however, said Bangladesh and Pakistan were offering tax incentives to attract remittances. Such incentives can potentially lead to more illusory than real increases in remittance inflows.

"Flows can shift from informal to banking channels to take advantage of the tax incentives. And for the same reason, cross-border payments for goods, services, and investments could be reclassified as remittances."

"The administrative costs of

implementing a tax incentive programme have to be evaluated against the economic benefits of additional foreign exchange inflows," the WB said.

More than one crore Bangladeshis live in about 160 countries. Most of them are low-paid migrant workers in the Middle East and Southeast Asian countries, who contribute the bulk of the foreign currency in the state coffers.

Global remittances are projected to decline sharply by about 20 per cent in 2020 due to the economic crisis induced by the Covid-19 pandemic and shutdown, the WB said.

The projected fall, which would be the sharpest decline in recent history, is largely due to a fall in the wages and employment of migrant workers, who tend to be more vulnerable to loss of employment and wages during an economic crisis in a host country.

Remittances to South Asia are projected to decline by 22 per cent to \$109 billion in 2020, following a growth of 6.1 per cent in 2019.

In India, remittances are projected

to fall by about 9 percent in 2020, to \$76 billion. In Pakistan, remittances would grow at about 9 per cent.

In Bangladesh, the number of emigrants was only 181,218 in the January-May period of 2020 compared to 700,159 during the entirety of 2019.

Hussain said there was deep uncertainty globally owing to the rising cases of the coronavirus. Besides, the oil-rich Gulf nations, where a majority of Bangladeshi migrant workers are based, may not see any sudden increase in petroleum prices.

The Gulf countries, which include Saudi Arabia, the United Arab Emirates (UAE) and Kuwait, were home to 75 per cent of about 1.3 crore Bangladeshis living abroad for jobs.

Bangladesh receives most of its remittance from Saudi Arabia, the UAE, US, UK, Kuwait, Oman, Malaysia, Qatar, Italy and Singapore.

The rising flow of remittance took the country's foreign currency reserves to an all-time high of \$41.2 billion on Thursday.

## Lifted by US, Mexico economy rebounds 12pc in third quarter from coronavirus

REUTERS, Mexico City

Mexico's economy grew 12.0 per cent during the third quarter, largely as expected, making up for much of the record contraction over the previous three months at the height of the coronavirus lockdown, preliminary data showed on Friday.

The seasonally-adjusted jump in gross domestic product (GDP) published by national statistics agency INEGI was fractionally better than the 11.9 per cent expansion predicted by a Reuters poll. The quarter-on-quarter increase was easily the biggest since current records began at the start of the 1980s, and benefited from massive stimulus spending in the United States.

## HSBC executes country's first cross-border blockchain LC transaction

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"I am very pleased that HSBC has pioneered Bangladesh's first-ever cross-border blockchain LC transaction," he added.

This marks a significant step for Bangladeshi companies in the digitalisation of trade. It makes doing business simpler and faster by reducing transaction times and boosts working capital efficiency, something that's especially appealing to local firms navigating through the current economic challenges, the statement added.

"We are very enthusiastic about the use of blockchain technology for our imports. We understand that we are headed towards a digital era and we are ready to evolve in our effort to adapt to the changes," said Moinuddin Hasan Rashid, group chairman and managing director of United Group.

Fuel oil LCs are highly time-sensitive where every second counts and United Group believes the blockchain technology will help manage time efficiently and ensure increased efficiency and better cost management, he said.

For the first half of 2020, Bangladesh's trade under LCs was more than \$34 billion, according to the SWIFT, a global provider of secure financial messaging services.

"So, the potential efficiencies for domestic companies are tremendous," the bank said.

HSBC has pioneered blockchain platform in countries such as India, Malaysia, Oman, Saudi Arabia, Singapore, South Korea and Vietnam.

The bank serves customers worldwide from offices in 64 countries and territories with assets of \$2.92 trillion as of 30 June, making it one of the world's largest banking and financial services.

## Bourses should keep an eye out for market manipulation

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Meanwhile, the BSEC is working hard to bring good companies to the stock market, according to BSEC Chairman Shibli Rubayat Ul Islam.

The BSEC analyses a company's past profits before approving its initial public offering (IPO) and the entire process has been reduced to be completed in about one or two months, Islam said.

"We want to see investors in the stock market, not day traders because stocks cannot rise every day but traders cannot accept any share fall," he added.

To this end, the BSEC has initiated a financial literacy programme so that investors can properly understand market behaviour.

The new commission's move to hasten the IPO approval process is laudable but an initiative should be taken to bring small and medium enterprises into the market, said Shams Mahmud, president of the Dhaka Chamber of Commerce and Industry.

In developed countries, small and medium enterprises grow large once they make their trading debuts.

"And we need to create the same cushion," he added.

FBCCI President Sheikh Fazle Fahim, CMJF President Hasan Imam Rubel and IDLC Investments Managing Director Md Moniruzzaman also spoke during the event.