

China demand to fuel Hong Kong iPhone grey market

AFP, Hong Kong

Wealthy mainland Chinese looking to buy the new iPhone 6 next week could expect to pay an eye-watering \$2,500 for the handsets in Hong Kong, following Apple's decision to delay the launch in China.

Hong Kong has long been a hub for resold and refurbished phones, and delighted vendors there were coping with a flood of pre-orders from the Apple-obsessed mainland.

The price, say sellers in the southern Chinese city, is a bargain - the phones can then be resold on the mainland, where fans could pay up to 30,000 yuan (\$5,000) for a new handset.

Apple this week unveiled the two latest models in its iPhone series, both of which boast a larger screen, in a bid to recapture its role as a technological trend-setter.

The phones will be made available in 10 countries -- including Hong Kong -- from September 19,

but Apple has not yet stated when they will be available on the mainland, despite it being one of the US tech giant's largest markets.

Massive queues and frantic trading were seen outside Apple stores in the southern Chinese city on previous iPhone launches, with resellers buying units from hundreds of new iPhone owners to sell on later at inflated prices on the legal but unauthorised "grey market".

At Sin Tat Plaza, a bustling mall crammed with mobile phone stores in the city's Mongkok district, posters and replica models of both iPhone 6 models are already on display on virtually every corner.

"The demand in the mainland is bigger for the iPhone 6 compared to the iPhone 5s because there are bigger changes made to it," Arthur Chung, who runs a phone reseller shop at the three-storey shopping centre, told AFP.

Chung said he will order phones from the United States to match a

pre-order made by a mainland customer for 300 units of the iPhone 6.

The 128-gigabyte gold version of the larger iPhone 6-Plus could be resold for over HK\$20,000 (\$2,580), Gary Yiu, the manager of the nearby iGeneration mobile phone store, told AFP.

Mainland China was among the first countries where the iPhone 5s was available for sale last year, and the then newly introduced gold iPhone 5s model was particularly popular.

Yiu said his store received scores of pre-orders for iPhone 6 models a week before its release, with mainland Chinese customers making up half of the orders.

Those customers could easily turn a profit by reselling the phone on the return home, he said.

"There have been reports saying that the iPhone 6 prices could reach over 20,000 yuan to 30,000 yuan (\$3,260 to \$4,890) in China, so the Hong Kong price isn't all that expensive," Yiu said.

Lau Chi-kong, who runs the G-World store, agreed.

"Because it is not being sold in mainland China first, there will be a lot of mainland customers coming here to buy it, so there will be less stock and it can be sold at such a high price," he said. In the US, the new iPhone 6 will start at the same price of existing iPhones at \$199, while the iPhone 6 Plus will be at \$299 with a two-year contract.

Apple is attempting to adapt to consumers' apparent preference for bigger displays with the 4.7-inch iPhone 6 screen and the 5.5 inch 6-Plus. In Asia, arch rival Samsung has long been releasing hugely popular lines of larger handsets.

Apple's products are wildly popular in China, where a teenager sold his kidney and used the funds to buy an iPhone and iPad in an incident widely reported in 2012.

Netizens have been pining for the latest iPhone model on Weibo, China's version of Twitter.



Prateek Sabharwal, country manager of Pepsi Co, and Arif Hossain, general manager of Transcom Beverages, hand over the first prize of a contest organised by the Facebook page of 7UP Bangladesh to Tusher Rozario, at a programme recently.



AMA Muhith, finance minister, attends a ceremony to present scholarships to disadvantaged but meritorious students, organised by Shahjalal Islami Bank (Sjibl) at Officers' Club in Dhaka yesterday. AK Azad, chairman of Sjibl, was also present.



Shaibal Saha, senior deputy managing director of Crown Cement's maker MI Cement, poses with the winners of Crown Cement Winner Offer, at a programme on Thursday. Shafkat Sakin, brand manager of Crown Cement, was also present.



Sohana Rouf Chowdhury, managing director of Rang Motors, attends the launch of Mahindra Maxximo VX pick up vehicles in the capital recently. Rang Motors is the channel partner of India's Mahindra and Mahindra Ltd in Bangladesh.

Airtel offers discounts for Hajj pilgrims

STAR BUSINESS DESK

Airtel Bangladesh has offered a special 50 percent discount for Hajj pilgrim's security deposit for activating international roaming service, it said in a statement yesterday.

Every year, more than 100,000 Bangladeshis perform Hajj. All Airtel users going on pilgrimage can take the discount offer for any international credit card and will be valid only during Hajj 2014, it said.

Postpaid customers can use the international roaming service with a Tk 5,000 security deposit during this Hajj.

Airtel has also reduced local call rates to Tk 15 taka per minute for the pilgrims, amounting to 82 percent discount on standard tariff, it said.

Tariff for making calls to Bangladesh has been reduced to Tk 15 per minute, offering 92 percent discounts, it added.

Cars that drive themselves starting to chat with each other

REUTERS, Detroit

An Acura RLX sedan demonstrated an unusual way to tow another car this week: the vehicles were not physically attached. The second car drove itself, following instructions beamed over by the first in a feat of technology that indicates a new stage in automation is happening faster than many expected.

Systems that enable vehicles to communicate with each other have been developed in recent years in parallel with features that enable cars to drive themselves. Manufacturers and suppliers now are putting the two together in novel ways, with broad implications for vehicle safety and convenience.

General Motors Co, Honda Motor Co, which owns Acura, and other automakers are working with traditional suppliers and startup firms. Tech giants Google, with its pioneering work on driverless cars, and Apple, which is working with automakers to embed greater connectivity in their cars, are accelerating the change.

"It is the mix of big companies -- Apple, Google, the automakers and the data aggregators -- that starts to create momentum. Two years ago, it was different. It was a promise. Today, it's reality," said Laurens Eckelboom, executive vice president of business development at Parkmobile, a smart-parking startup whose investors include BMW AG and Ford Motor Chairman Bill Ford's venture capital firm Fontinalis Partners.

A "truck platooning" application by Peloton Technology, a startup based in California's Silicon Valley, is intended to save fuel and reduce collisions.

As with virtual towing, a "platoon" of two heavy trucks use wireless communication and computer-controlled braking and acceleration to keep in close formation on the highway,

according to a description by the company, which expects to start selling the technology late next year at \$2,000 per truck plus a share of the projected operating savings.

The total price tag for widespread adaption of such features could be steep. The National Highway Traffic Safety Administration estimates automakers will need to spend billions of dollars to install safety systems that automatically assist drivers and could be mandated by 2020, when the industry expects the first self-driving cars to start easing onto roads. There are other risks and issues including reliability, cybersecurity and legal liability.

"What happens if a self-driving car gets into an accident? Who is liable for the damages? Will the human 'copilot' be at fault or will the car's manufacturer?" the Center for Insurance Policy and Research wrote last month, citing "a long list of safety and legal issues to iron out before self-driving cars hit the road."

All the razzle-dazzle technology promised by automakers and regulators "shouldn't take our eyes off the prize -- cars that don't crash," Jon Lauckner, GM's chief technology officer, said at the Intelligent Transport Systems World Congress in Detroit this week.

Citi analyst Itay Michaeli said the convergence of connected and automated technologies also has the potential to reduce vehicle emissions and fuel usage, and bring down vehicle operating and insurance costs.

Active safety, including hands-free driver assistance and accident avoidance, was a common thread of many technical discussions and technology advances on display at the ITS show, which attracted 10,000 engineers, scientists and researchers, ending on Thursday.

Less than 2pc of factories unsafe, Accord says

FROM PAGE B1

"The decision to suspend operations and evacuate a factory building is a serious and difficult one but the Accord is committed to getting workers out of the most dangerous factories until they are made safe," the Accord said.

In the rest of the factories, more than 250 corrective action plans have been agreed.

The remedial measures consist of: reducing weight loads and adhering to load management plans; cleaning up, organising and being disciplined in maintenance practices, which include properly connecting and sealing electrical wires and keeping wires and circuits free of dust and lint.

The Accord inspections are also identifying safety requirements involving more substantial measures, such as installing fire doors, automated smoke detectors and fire alarm systems, establishing fire protected exits from factory buildings and strengthening of columns in the buildings.

The work to remediate these critical life-safety issues is underway and is being monitored and verified by the Accord.

"Good progress has been made, but the Accord recognises that there is still a lot of work to do."

In line with the Accord's commitment to transparency, in the coming months all inspection reports and corrective actions plans will be available online, according to the statement. "This will further demonstrate the Accord's progress towards making readymade garment factories in Bangladesh safe," the statement added.

From the outset, the Accord planned to inspect 1,600 factories by September. Rob Wayss, Accord's executive director for Bangladesh operations, indicated that they would be able to meet their target.

"Yes, we will complete the initial inspections within the remaining days of this month," he added.

Meanwhile, Monika Kemperle, assistant general secretary of IndustriALL Global Union, said unsafe textile factories are not only found in Bangladesh.

"The problems are many and complicated in Pakistan and there is no Accord on Building and Fire Safety to set legally binding standards," she said on the second anniversary of Karachi's Ali Enterprises fire accident.

September 11 marks the second anniversary of the event, which was one of the worst industrial accidents in Pakistan. Some 259 workers died, many were seriously injured and 1,500 were left with no employment, according to IndustriALL.

Argentina faces new devaluation as dollar demand grows

AFP, Buenos Aires

Recession-hit Argentines are flocking to buy dollars, nervous over the government's latest debt default and pressure from the business community to devalue the peso for the second time this year.

Officially, a dollar is worth 8.42 Argentine pesos. But it takes 14.26 pesos to buy one on the black market, a gap that only shows signs of widening.

President Cristina Kirchner has tried to convince Argentines to stop hoarding greenbacks and spend their pesos instead. "You have to invest in things you can touch and see.

The rest is just fairytales," she said recently.

But her appeals have largely fallen on deaf ears in a country that still bears the scars of its 2001 financial crisis, when the government froze \$70 billion in deposits in a bid to stop a run on the banks.

Limited to withdrawals of \$250 a day, Argentines flooded the streets, venting their wrath by banging pots and pans.

Rioting and the government crackdown that followed left 33 people dead.

Instead of retreating, the memory has grown more raw in recent months as the government again defaulted on the debt it restructured after the crisis.

Regent Airways to invest \$100m in expansion

FROM PAGE B1

Regent announces its expansion plan at a time when Bangladesh is poised to see robust growth in air traffic over the next six years.

The number of passengers will hit 10.2 million and the volume of air cargoes 3.6 lakh tonnes in 2020, up 76 percent and 56.5 percent respectively from the current levels, according to a projection by the Civil Aviation Authority of Bangladesh.

The annual market size is worth around \$440 million now, involving 5.8 million passengers and 2.3 lakh tonnes of cargoes, industry insiders said. The new routes of Regent will connect Middle East with India and the Far East via Dhaka, Issac said.

Some of the new destinations would be Doha, Muscat, Abu Dhabi, Riyadh, Jeddah, Gaya in India, and Johor Bahru in Malaysia.

The airline also aims to launch flights on

the domestic Saidpur route by this year, said the 46-year-old aviation expert, who was the chief financial officer at Spicejet of India before joining Regent.

The airline began commercial operations in November 2010 with two Bombardier Dash-8-Q300 aircraft. Now its fleet consists of two Boeing 737-700 and three Dash-8 and 6.

Since inception, Regent carried more than 7.85 lakh passengers on domestic and international routes.

Currently, 26 foreign and three local airlines, including the flag carrier -- Biman, operate international flights in Bangladesh. Besides, four private local airlines -- United, Regent, Novoir and US-Bangla -- operate flights on the domestic routes.

Regent is a subsidiary of Chittagong-based Habib Group, which has business in textiles, cement, steel, power, real estate, insurance and banking.

suman.saha@thedailystar.net

Banks' CSR spending under scanner

FROM PAGE B1

It also asked for copies of the applications of the beneficiaries and board approval of the expenditure.

BB, however, asked four state-owned banks -- Janata, Agrani, Rupali and Bangladesh Development Bank -- to send the same information but for the last five years. The four banks were recently slapped with a temporary ban on their CSR expenditure.

A finance ministry official said they have observed that CSR spending in the four banks, especially Janata, has gone up significantly as the tenures of their chairmen were nearing expiry.

In 2013, the four banks spent about Tk 50 crore in total on CSR, with Janata alone accounting for Tk 42.68 crore. Janata's CSR allocation this year is Tk 35 crore; in the first eight months, the bank's board approved

Tk 28 crore.

M Aslam Alam, secretary of the finance ministry's bank and financial institutions division, told The Daily Star the central bank has taken an initiative to formulate a comprehensive guideline for CSR spending, which saw an increase in recent times owing to encouragement by BB Governor Atiur Rahman for social good.

Presently, there are various directives on an ad-hoc basis following which the banks do their CSR spending. The BB by reviewing all these ad-hoc directives would frame a complete policy guideline, he said.

Last year, banks spent around Tk 442 crore on CSR activities, up 45.12 percent year-on-year. Some Tk 138.58 crore was spent on humanitarian and disaster relief, the highest, followed by education at Tk 129.52 crore.



Mizanur Rahman, Sylhet metropolitan police commissioner; Hasan Ahmed, first vice president of Sylhet Chamber of Commerce and Industry; and Abdullah Al Mosaddaq, chief executive of Lotto Bangladesh, attend the launch of a flagship outlet of Lotto, in Dargah Gate area in Sylhet recently.



Prodip Kumar Poddar, executive director of Durable Plastic Ltd, and Abu Daud Khan, managing director of Enroute International, attend the signing of a deal for introduction of improved packaging solutions for the agriculture sector in Bangladesh, at Pran-RFL Centre in Dhaka recently.