Greek deal still possible if Athens shows the will: Merkel

REUTERS, *Berlin/Athens*

German Chancellor Angela Merkel said on Thursday a deal between Greece and its creditors was still possible if Athens showed the necessary will, amid mounting pessimism that the austerity-hit country might crash out of the euro zone.

Neither side has shown any sign of yielding, with creditors insisting it is up to Greece to make concessions to secure a cash-for-reforms deal so the government can honour looming debt repayments and avoid a potentially disastrous default.

Far from giving ground, Greek Prime Minister Alexis Tsipras launched a new attack on the lenders in an article in a German newspaper, slamming what he called their "blind insistence" on pension cuts he said would worsen his country's crisis.

The leftist leader began a two-day visit to Russia to attend an economic forum in St. Petersburg as euro zone finance ministers gathered in Luxembourg to discuss the impasse. Given that Athens ruled out bringing new proposals to the discussion, hopes for a breakthrough at the meeting have all but vanished.

Arriving for the Luxembourg meeting, EU Economics Commissioner Pierre Moscovici told reporters he didn't want the debt standoff to turn into a rerun of the Battle of Waterloo on the 200th anniversary of the historic defeat for France.

"Today is an important date and I have no desire to see us return to the age of Waterloo when the Europeans were all lined up against a single state," he said.

With European leaders and Greece's central bank warning a possible "Grexit" was on the horizon, European shares fell and Greek shares hit a new three-year-low.

In a sign of growing nervousness among many Greeks about their country's fate, pro-euro demonstrators will hold a rally in central Athens, calling for an end to the deadlock. That comes a day after anti-austerity protesters rallied in support of the government and against policies set by lenders.

"I'm still convinced: where there's a will, there's a way," Merkel told German lawmakers, repeating a message from last week. "If those in charge in Greece can muster the will, an agreement ... is still possible."

Merkel faces growing opposition from within her ruling conservatives to granting Greece any more bailout money, with a narrow majority of Germans now in favour of Greece leaving the euro zone.

Having been voted into power in January on a pledge to roll back austerity, Tsipras's leftist government has balked at demands for new pension cuts and tax hikes on basic goods like food and electricity.

Athens needs to break the impasse by the end of the month, when it faces a 1.6 billion euro ($1.8 billion) repayment due to the International Monetary Fund that could force it to default.

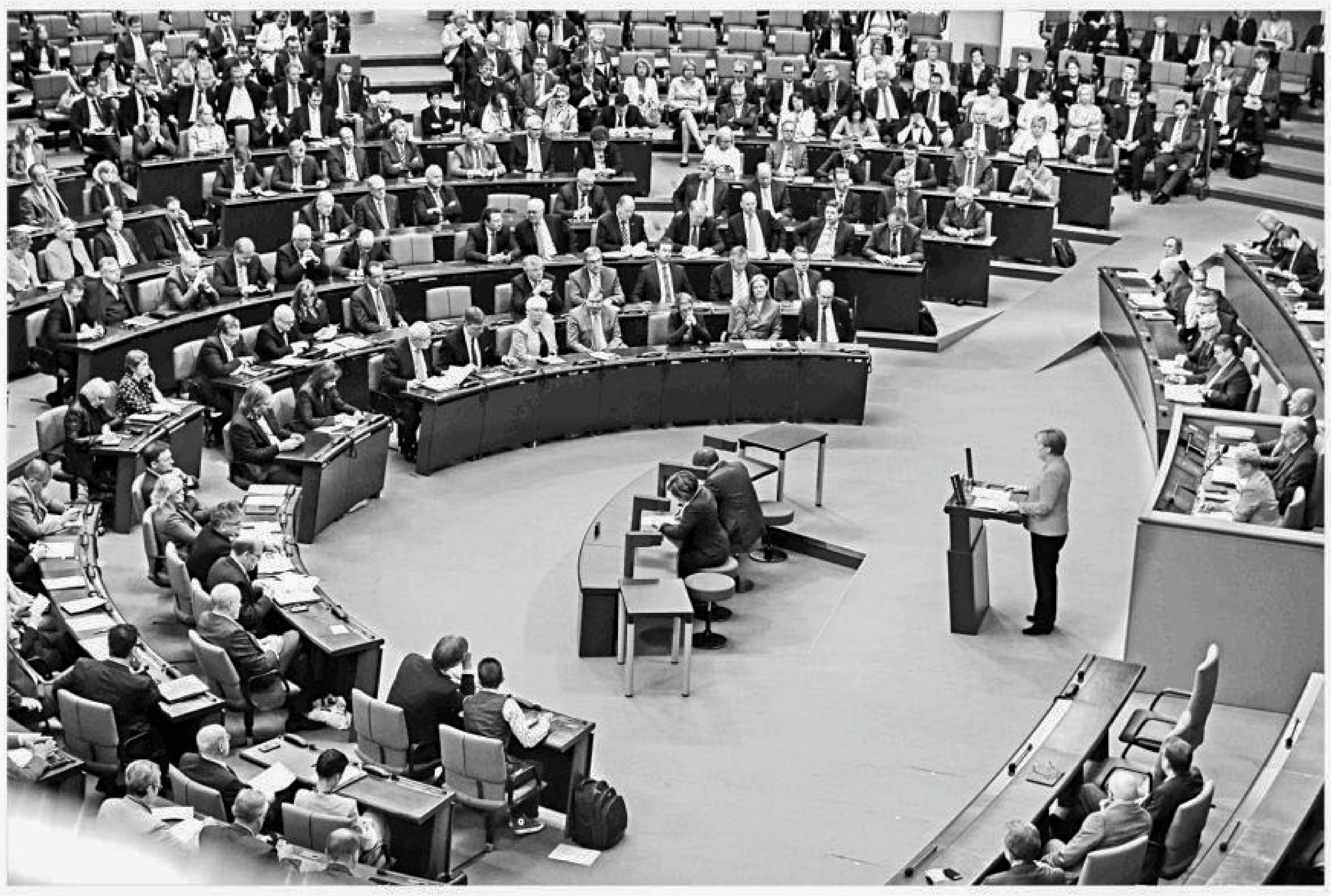
Greeks have been squeezed by five years of budget cuts demanded by the European Commission, the International Monetary Fund and the European Central Bank in two bailouts. But opinion polls suggest the majority want to stay in the euro.

"Greece belongs to Europe!" read one Facebook invitation to join Thursday's pro-euro rally, which had received more than 11,000 "likes" by Thursday morning.

"We are sending a strong message to the government," it said. "It's time we join our voices in favour of our country staying in the euro and in the European family."

Those calls were echoed in an open letter by a group of Greek businesses -- including tourism operators and retailers -- to Tsipras, urging him to close a deal.

"Greece's relations with our partners have been hit hard and both sides are responsible for that," the letter said.



REUTERS

German Chancellor Angela Merkel addresses the session of the German lower house of parliament Bundestag in Berlin, Germany yesterday.

Apple mines big profits from Watch band

REUTERS, *San Francisco*

Nearly 20 percent of Apple Watch buyers are not only shelling out hundreds of dollars for the timepiece but are springing for a spare band too, giving the tech giant a profitable second dip into customers' wallets, according to data provided exclusively to Reuters.

The data from Slice Intelligence, a research firm that mines e-mail receipts, offers a rare window into the money-making potential of Apple's first brand-new product under CEO Tim Cook.

The ever-secretive company has yet to release how many units of the watch it has sold, let alone how profitable it is. Slice estimates the company has sold 2.79 million as of mid-June. But if the band purchases are any indication, sales of the watch itself are just the beginning of Apple's profits.

Although the entry-level sports band retails for $49, it costs only about $2.05 to make, according to an analysis of the 38-millimeter size by IHS, a technology research firm.

The estimates do not include expenses such as packaging and shipping and may not capture the full cost of the material Apple uses to make the band, said analyst Kevin Keller of IHS.

With the watch, Apple has put a high-tech spin on the razor-blade business model, in which a company sells a product for a modest price and then profits from sales of accessories, he said.

"Of course, because it's Apple, it's sell the razor, sell the blade," Keller joked.

Slice studies e-mail receipts from a panel of 2 million people representative of online shoppers in the United States, more than 20,000 of whom bought an Apple Watch. Data from Slice, which analyzed only bands made and sold by Apple, showed about 17 percent of shoppers purchased more than one band.

Slice says its data lines up closely with information from the Department of Commerce as well as Amazon sales data.

The black sport band is the most popular choice for both the band that comes with device and extras ordered by consumers.

But the $149 Milanese loop is the second-most popular second band, suggesting many consumers are pairing a practical sport band with a more luxurious option to make the watch more versatile, said Kanishka Agarwal, Slice's chief data officer.

"People are trying to get two watches in one," he said.

EXPONET EXHIBITION

Amir Hossain Amu, industries minister, speaks at a programme organised by Exponet Exhibition, at Washington Hotel in Dhaka on Tuesday. Exponet will organise a three-day industrial building innovation summit and exposition on September 10 at Bangabandhu International Conference Centre in the capital.

AARONG

Tamara Abed, senior director of Brac Enterprises; Muhammad Musa, executive director of Brac; and Md Abdur Rouf, chief operating officer of Aarong, attend the launch of the 15th branch of Aarong at Banani in Dhaka recently. The 14th branch of Aarong was also opened on the day in Dhanmondi.

India IT behemoths revamp culture to attract young talent, battle start-ups

REUTERS, *Mumbai*

India's oldest and most distinguished IT firms are doing what would have been almost sacrilegious a few years ago - holding coding marathons to develop innovative fixes and deploying "commando" units to resolve clients' IT woes within hours.

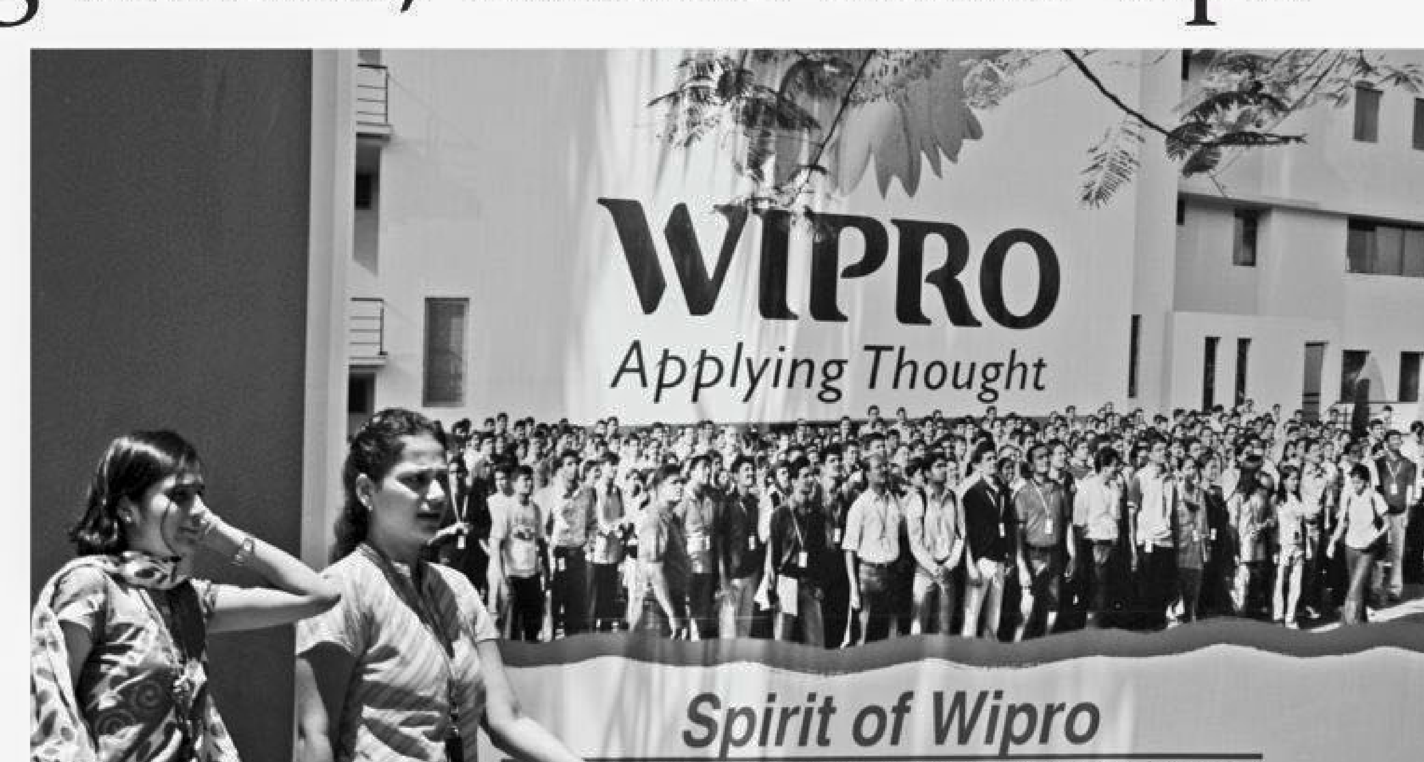
Infosys, Wipro and other Indian IT giants, which rose to prominence during the outsourcing boom in the 1990s and 2000s, have struggled to keep pace with mushrooming start-ups. The rate of revenue growth has more than halved since 2011-12, partly due to the emerging competition.

Those young set-ups say they go beyond cookie-cutter solutions and argue that they do the job more quickly and for less. They also attract the crème de la crème of India's engineering graduates with their culture of bubble chairs, breakfast bars and table tennis at work, in a way that the corporate, straight-laced atmosphere of the country's IT trail blazers struggles to.

Client demands are similarly changing in India's $147 billion IT outsourcing industry. Major telecoms, retail and banking firms want more than an outsourced help desk, and now demand everything from help solving a server crash overnight to help building an app, industry veterans say.

"When people around you change, moving from a very process-defined model to a much more agile model, it is definitely making a dent in everyone's thinking," said Sanjiv Kovil, Wipro's chief technology officer.

To deal with this, Wipro, for example, has set up small "commando force" units that help get swift solutions by copying a startup environment where small teams move fast. India's third-largest IT services provider has also introduced gaming-like training sessions and so-called hackathons to solve both fake and real client problems.



REUTERS/FILE

People walk in the Wipro campus in Bangalore, India.

"It is not the wild west - there is a method to the madness. We have kind of defined the boundaries, but within that we have allowed for a lot of flexibility," Kovil said.

Earlier this month Infosys - long known for its inflexible rules of employee decorum - did away with a formal dress code. The company had already relaxed rules that stopped workers from accessing social networking web sites at work.

At Tech Mahindra, associates and mid-level employees can win quizzes and contests to spend a day with the CEO and exchange ideas, a practice that industry veterans say was impossible to imagine even a few years back.

There are some early signs the more flexible approach is yielding dividends.

Tech Mahindra said it won a contract last month to build an electric vehicle charging system for the city of Ontario, Canada, because its flatter structure had allowed the manager responsible to decide alone and move fast with his bid.

To be sure, it is hard for large IT companies, with an army of thousands of employees, to change overnight. Yet, steps as small as implementing a casual dress code and allowing employees to use their own tech devices mark a major cultural shift in an industry that still relies heavily on manpower to win business.

"These changes are cool. I like that they have finally decided that we are adults," said one young Infosys executive who has spent seven years with the firm, declining to be named.

"But the real changes are different - for example, giving smaller teams more authority, that makes more of a difference. That is happening, but slowly."

China's outbound investment jumps, catching up with FDI

REUTERS, *Beijing*

China's outbound direct investment soared in the first five months to 278.4 billion yuan ($44.84 billion), official data showed, closing a gap with foreign direct investment inflows as local firms flock overseas for growth opportunities.

The 47.4 percent jump in outbound investment, made by non-financial firms, built on the 36.1 percent rise in the first four months.

In the first five months of the year, FDI grew 10.5 percent from a year earlier to 331.0 billion yuan, marking a slight slowdown from 11.1 percent growth in January-April, the Commerce Ministry said on Thursday.

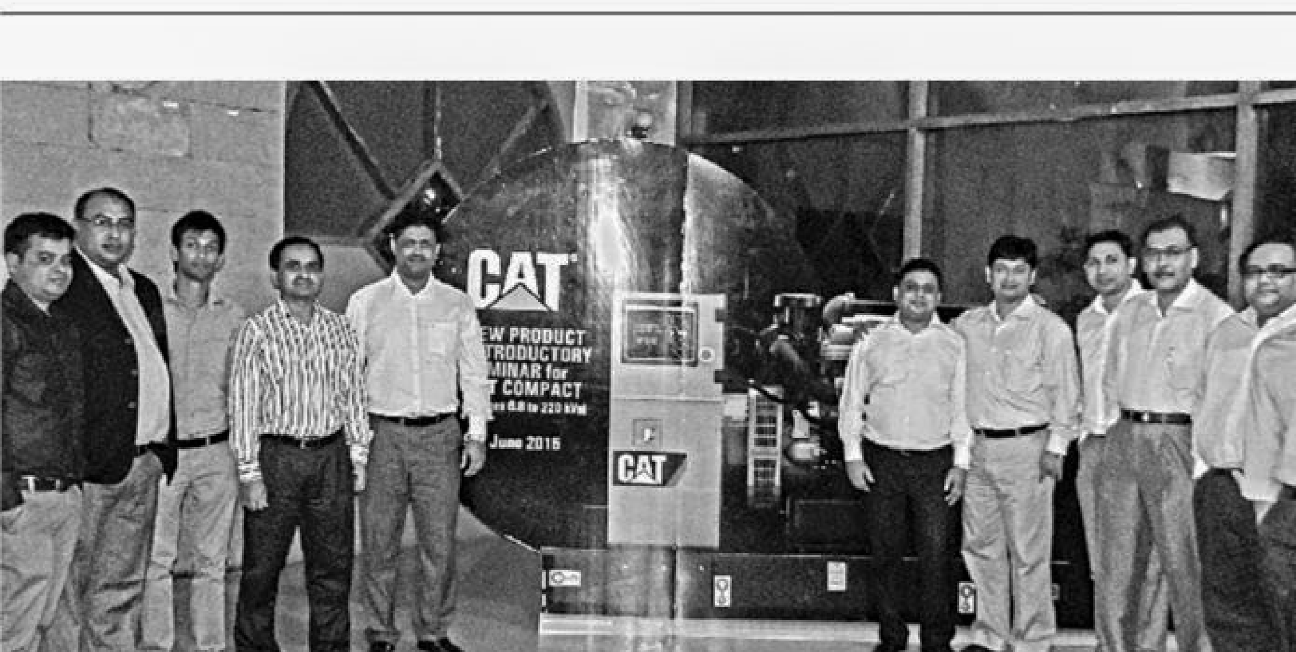
The government has been encouraging firms to invest abroad to slow down the rapid build-up of foreign exchange reserves and help local firms become more competitive internationally.

Analysts expect outbound investment will soon match and overtake the weakening investment inflows, reflecting a cooling economy which in turn seems to have prompted a large jump in outbound flows as businesses looked for growth elsewhere.

"The outbound investment is quickening. It's very likely to surpass foreign direct investment this year," said Han Xiushen, a researcher at the commerce ministry's think-tank.

She expects more Chinese firms to invest overseas under Beijing's "One Belt, One Road" initiative to develop trade and transport infrastructure across Asia and beyond.

"The domestic economy is slowing and firms need to find a way to export excess production capacity".



BANGLACAT

Ziaul Alam Khan, chief marketing officer of BanglaCAT, the authorised dealer of Caterpillar Inc USA, poses at the launch of CAT compact generators in Bangladesh recently.

Indonesia holds key interest rate at 7.50pc

AFP, *Jakarta*

Indonesia's central bank held its key interest rate for the fourth consecutive month on Thursday due to increasing inflation and a weakening rupiah.

Bank Indonesia has kept the rate unchanged at 7.50 percent, as expected by economists, saying the decision was made as it seeks to bring inflation down to within the range of 3 to 5 percent this year.

However, analysts expected the central bank of Southeast Asia's biggest economy to cut its rate later this year as the US is expected to hike its key rate, which could hit Indonesia's already slowing growth.

Indonesia's central bank faces a dilemma with growth slowing to 4.7 percent in the first quarter, the slowest in six years.

MIDLAND BANK

Md Ahsan-uz Zaman, managing director of Midland Bank, and Khondoker Nayeemul Kabir, deputy managing director, attend a press meet to mark the bank's second anniversary, at the bank's head office in Dhaka yesterday.