

Huawei plans big for handset sales

MUHAMMAD ZAHIDUL ISLAM

HUAWEI aims to be a vital player in the smartphone market in Bangladesh within a short time.

The Chinese tech giant is a dominant player in mobile technology with a 75 percent share in the Bangladesh market; it wants to be a crucial player in the handset segment as well.

Huawei is currently the fourth largest brand in smartphones in Bangladesh, with a 7 percent market share.

"Our plan is to be the No. 3 player shortly," Colin Shi, chief technology officer of Huawei Technologies Bangladesh, said in an interview with The Daily Star.

Local brands Symphony and Walton, and Korean brand Samsung are currently ahead of Huawei.

Here in Bangladesh, affordability is an important element, compared to other countries. "That's why Huawei will bring more and more low-cost smartphones," Shi said, sharing the company's plans.

Huawei is currently the third largest brand in handsets globally and introduced its smartphones in Bangladesh only a year ago.

"We basically began our smartphone business in Bangladesh last year on a big scale. Earlier, we had a limited focus. So far, we got tremendous success here."



Colin Shi

The brand now has a total of 18 models for the Bangladesh market, at a minimum price of Tk 5,000 and a maximum of Tk 50,000, according to Shi.

Huawei's smartphone sales in Bangladesh rose 133 percent year-on-year in the first half of 2016. The company refused to give further details on sales.

Bangladesh imported 56.3 lakh smartphones in 2015, which will be 79 lakh in 2016, according to Bangladesh Mobile Phone Import Association.

Shi said smartphones now account for around 30 percent of the total market share in Bangladesh and it is growing every year. The market

observed robust growth in smartphone sales, especially after the launch of 3G services.

Around five lakh smartphones are sold each month here, with a possibility of reaching eight lakh in the next two to three years, he estimated.

In the last one year, Huawei opened nearly 200 Huawei brand shops across the country and their smartphone sales points reached around 3,000.

The company also launched a number of flagship handsets such as Mate 8, P8 and P9 in June, which was a great success in both the global market and Bangladesh.

After-sales service is important to getting success here, and that is why they are focusing on it, Shi said. They are providing aftercare through a service centre in Bashundhara City and 40 service points across the country.

Huawei began its Bangladesh chapter in 1998 as a carrier business.

On the quality of service or call drops, Shi said as all the operators are taking most services from them, they also have some responsibility to improve the quality.

"We are taking the issue seriously and bringing network optimisation."

"You can never be fully free from call drops, even in an ideal situation. At the same time, sometimes operators' plans do not work in Dhaka as it is a densely populated city."

Health on Wheels in action

PADYA PARAMITA

IN the summer of 2015, I was very lucky to witness Health on Wheels in action, as well as take part in some of the procedures.

First, we attended an orientation at Dhaka Medical College where Dr Ruhul Abid introduced us to the programme, and I saw slides and videos of all the wonderful work the team had done the previous year providing healthcare to garment factory employees, with an emphasis on women's health.

I learnt that Health on Wheels was an initiative by Health and Education For All and the onsite care included screening for common diseases, ongoing preventative care including health and feminine hygiene education, immunisations, high-risk pregnancy as well as onsite diagnosis and treatment for infectious and chronic diseases.

The team was highly diverse, and included doctors, medical students, an MIT student, and workers from Gazipur and Tangail. Learning about this work and meeting the team made me all the more excited to be working with this team.

The next day, we left bright and early for a factory a few miles outside Dhaka city in Gazipur and there, the team set up an assembly line of different stages of the medical work for every team member to be responsible for. As each employee of the garments factory arrived, they were handed a form with their name and basic information, with the rest of the boxes to be filled out by those at the different stations. They went through each stage of this procedure and the first was the "height and



Many of the garment employees were facing health check-up for the first time.

weight" station, where I helped out measuring their height, then their weight, and recorded these down on the form. I watched as they moved on to the next station -- having their blood sugar and blood pressure measured, and then consulting with a doctor on any chronic problems that they possibly had.

Going through the entire screening took each patient 6-9 minutes, and longer if they had a vaster medical history.

The team members were thoroughly enthusiastic throughout the entire process and also eased the situation for the employees, many of whom were facing such a check-up for the first time. It was a great day interacting with people -- both those at the factory, and the ones from the team, and afterwards we even visited a safari park. A couple of days later, I attended another session of check-ups with the Health on Wheels

team, this time at a skyscraper on Panthapath in Dhaka.

Although they were workers of a different company, it was once more the same process, and by this time, I had gotten stealthier and hence more efficient in the height and weight station and after observing, I even tried my hand at the blood pressure and blood glucose station for a few rounds.

Overall, I had an incredible experience learning, observing and participating in the work done by the Health on Wheels team. I met the amazing people who are part of the team and had come from all around the country and across the world to help with this project, interacted with factory employees and learned about their lives, and even picked up a thing or two about providing healthcare.

Padya Paramita is a student at Wellesley College, Massachusetts, USA.

Global security firm G4S gets grip on overhaul, shares soar

REUTERS, Edinburgh

BITAIN'S G4S posted strong results on Wednesday, sending its shares soaring on signs the world's largest security group had bounded back after previous scandals helped by more demand for its services and a shift in focus away from the UK.

G4S, which runs services ranging from manned security in prisons to cash transportation, is selling weaker units under a restructuring programme after a string of high-profile contract problems in Britain, which now accounts for one fifth of its revenues.

analysts - was maintained at 3.59 pence per share and that the company would not seek to raise more funds, as some analysts had expected.

At 0752 GMT they were up nearly 14 percent and on track for their best day in 15 years at 222.43 pence.

Demand for security services has been increasing, even before Islamist attacks in France and Germany this summer, which had little direct impact, CEO Almanza told Reuters.

"We have seen increased demand for security technology and consulting, but frankly we saw that before recent events in



REUTERS

A G4S security van is seen parked outside a bank in Loughborough, central England.

Core profit of 199 million pounds (\$259.68 million) was helped by booming revenues from emerging markets, accounting for increasingly more revenue than the UK and Ireland where the company has scaled back after a string of problems.

"Our strategy and our plans are now delivering tangible results," Chief Executive Ashley Almanza said, adding that the company was concentrating on whittling down debt and delivering its overhaul.

Analysts had predicted the group could be vulnerable to the backlog in political decision-making in Britain after its vote to leave the European Union, a more sluggish domestic economy and a fall in the value of the pound making its debt in foreign currencies more expensive to service.

It was able to whittle down debt to 3.2 times core earnings from 3.3 times at the end of 2015 thanks to strong cash flow, offsetting the impact of weaker sterling on euro and dollar-denominated debt.

Shares in G4S jumped on relief that the dividend - seen as vulnerable by some

France and that has been a steady trend for the last three years."

The firm appears to have put behind it a series of scandals, including news in June that a gunman who killed 49 people in a Florida nightclub was an employee who had not been efficiently vetted.

G4S gained notoriety at home in Britain after failing to provide enough guards for the London Olympics in 2012. It was later investigated by the Serious Fraud Office for overcharging the government to provide electronic tags for offenders, some of whom turned out to have been in jail or dead.

On Wednesday it increased a charge on loss-making British government contracts to manage asylum-seeking immigration.

Almanza said the company was getting steady interest in the business units it is selling, the four largest of which are worth around 300 million pounds according to analysts.

Group revenues rose 5.1 percent.

Results were in line with expectations, with core earnings of 199 million pounds landing within a forecast range of 185 million to 205 million pounds.

Bank of England Brexit plan challenged by world awash with cheap money

REUTERS, London

THE Bank of England's first rate cut since 2009 looks unlikely to be passed in full to borrowers, despite the BoE being ready to lend banks as much as 100 billion pounds (\$130 billion) to ensure it happens.

The launch of the Term Funding Scheme (TFS) - the BoE's biggest intervention in Britain's banking market in four years - is likely to offer a modest boost to growth. But it also highlights the difficulty of implementing cuts in interest rates as they approach zero.

Governor Mark Carney said lenders had "no excuse" not to pass on August's quarter-point cut in interest rates to 0.25 percent, as the TFS would neutralise the negative impact of the rate cut on bank profits by providing lenders with cheap loans.

But less than a week later, things already look more complicated for the project that is part of the central bank's response to Britain's vote to quit the European Union.

Britain's biggest mortgage lender, Lloyds Banking Group, is holding off cutting its main rate, while First Direct, part of HSBC, reduced the interest rate it pays out on one of its savings accounts by 0.4 percentage points.

"The narrative presented was a bit simplistic," said Ian Gordon, a banking analyst at Investec. The key point is that British lenders vary greatly in how much they can benefit from the TFS, depending on whether they



Mark Carney

already have access to finance that costs them less than the 0.25 percent minimum charge for funding from the BoE scheme.

Major lenders such as Royal Bank of Scotland, Barclays and HSBC already have more cash than they have been able to lend out, often from business and personal current accounts on which the banks pay little or no interest.

For them, the TFS will do nothing to reduce the squeeze on their net interest margin - the difference between savings and lending rates that is the main source of profit from lending.

As a result, interest rates on new two-year

fixed-rate mortgages -- Britain's most popular type of home finance -- were likely to drop by less than 25 basis points, Gordon said, as banks' sought to preserve profits and priced in a higher risk of default as the economic outlook darkened.

"I think prices will come down, but I'm sceptical you will see them come 25 basis points lower," Investec's Gordon said.

Existing mortgage rates that tracked Bank Rate would fall, but credit card rates and new business lending - which is sensitive to the economic outlook - would prove stickier.

Bankers say Lloyds and smaller challenger banks such as Virgin Money, Shawbrook and Aldermore gain more from the scheme, as they rely on costlier wholesale finance and savings accounts. Gordon said this gave them scope to cut the interest they paid savers by more than a quarter percentage point - an effect of the TFS which the BoE has not chosen to stress.

None of this means the TFS is a waste of time, but it is unlikely to have the same impact as the BoE's last big intervention, the Funding for Lending Scheme in 2012.

"Overall I think it will provide a small stimulus to the economy ... but it's not a game-changer," Pantheon Macroeconomics' Samuel Tombs said.

The FLS came at a time when British banks faced high borrowing costs due to the euro zone crisis, and offered incentives to lend as the economy gathered steam.

Indian cold pills pour over remote border to fuel Myanmar narcotics boom

REUTERS, Tamu, Myanmar

FIVE years ago, when cold pills first trickled across Myanmar's untamed border with India, many local officials were baffled. Where was this medicine going, and why were smugglers so interested in it?

Today, the cross-border trickle has become a torrent and everyone knows why the Indian-made pills are so valuable: they are bound for secret laboratories in lawless eastern Myanmar that churn out most of mainland Southeast Asia's methamphetamine, or "meth".

Cold pills contain pseudoephedrine, the main ingredient of meth, a highly addictive drug whose ever-soaring popularity is rattling governments across Asia. In recent months the Philippines has elected a president on a platform of harsh action against drug dealers, Indonesia has resumed executions of drug traffickers after a year-long hiatus

and Thailand is wrestling with a soaring prison population.

Myanmar's current boom in meth production would be impossible without a recent surge in pseudoephedrine smuggled from India's huge and ill-regulated pharmaceutical sector, say police and narcotics experts.

The uninterrupted flow of the drug is highlighting a disconnect between countries in tackling a meth epidemic that the United Nations Office on Drugs and Crime (UNODC) calls Asia's "number one drug threat".

"It's big, big business," said Ye Htut, a former advisor to Myanmar's ex-President Thein Sein. He attributed a property boom in Kalay, the largest town in this otherwise impoverished region, to the profits made from smuggling pseudoephedrine.

Meth is sold in pill form as "ya ba", a Thai name meaning "crazy medicine", or as a more potent, crystalline substance known as

"crystal meth", "ice" or "shabu".

Each Indian cold pill can make one "ya ba" and costs only a few cents to produce. By the time it has crossed the border and reached Mandalay - Myanmar's northern capital and a major smuggling hub - the pill's value has increased roughly tenfold.

Across mainland Southeast Asia, the UNODC estimates the meth trade was worth about \$15 billion in 2013.

The rugged and ethnically diverse region straddling the Indian border ranks among Myanmar's poorest, with no industry and modest infrastructure. Its main road is a two-lane highway linked by rickety bridges and plied by ox carts.

It is here that Myanmar police have been finding thousands of the cold pills, hidden in rice sacks, packed into truck chassis or spilling from the luggage of cross-border bus passengers.

In one bust here in mid-June, police intercepted a car carrying

more than 60 kg (130 lbs) of Indian pseudoephedrine - enough to make more than a million "ya ba" pills.

Global demand for methamphetamine has created "new precursor chemical entrepreneurs in India", said the U.S. State Department in a 2015 report. Experts believe many criminals who once smuggled drugs now prefer precursors, which offer high profits but much lighter penalties.

Myanmar police say China is also a major supplier of pseudoephedrine. But with tighter controls there, and with greater demand for the chemical as meth use booms, drug producers have increasingly turned to India.

Pseudoephedrine is a controlled substance in India requiring all handlers to register with the authorities. In practice, the trade is poorly monitored, with Indian officials complaining of weak intelligence-sharing between government agencies and rare prosecutions of offenders.