

Bangladesh Bank heist was state-sponsored: US official

REUTERS

THE heist of \$81 million from the Bangladesh central bank's account at the New York Federal Reserve last year was "state-sponsored," an FBI officer in the Philippines, who has been involved in the investigations, said on Wednesday.

Lamont Siller, the legal attache at the US embassy, did not elaborate but his comments in a speech in Manila are a strong signal that authorities in the United States are close to

naming who carried out one of the world's biggest cyber heists. Last week, officials in Washington, speaking on condition of anonymity, blamed North Korea.

"We all know the Bangladesh Bank heist, this is just one example of a state-sponsored attack that was done on the banking sector," Siller told a cyber security forum.

An official briefed on the probe told Reuters in Washington last week that the FBI believes North Korea was responsible for the heist. The official did not give details.

The Wall Street Journal reported US prosecutors were building potential cases that would accuse North Korea of directing the heist, and would charge alleged Chinese middlemen.

The FBI has been leading an international investigation into the February 2016 heist, in which hackers breached Bangladesh Bank's systems and used the SWIFT messaging network to order the transfer of nearly \$1 billion from its account at the New York Fed.

The US central bank rejected most of the requests but filled some of them, resulting in \$81 million being transferred to bank accounts in the Philippines. The money was quickly withdrawn and later disappeared in the huge casino industry in the country.

There have been no arrests in the case. A Chinese casino owner in the Philippines told that Senate inquiry he took millions of dollars from two Chinese high-rollers in February. He said the two men were responsible for transferring the stolen money from Dhaka to Manila.

Philippine investigators have filed criminal charges against several individuals and a remittance company for money laundering in connection with the heist at the country's Department of Justice (DOJ).

None of these cases have yet been filed in court, however. Siller said the FBI was working closely with the Philippines government "to ensure those responsible for the attack do not go unpunished."

"So for us in the FBI, it is never over. We are going to bring these individuals to justice so that we can show others, that you may be able to muster such attacks, even state-sponsored, but you will not get away with it in the end."

The illegal deliveryman who became one of China's richest men

AFP, Beijing

FROM making illegal cross-border deliveries to China in a minivan to buying a fleet of Boeing aircraft, the boss of SF Express has ridden a wave of online shopping to become one of the country's richest men.

Though secretive and media-shy, founder Wang Wei has found himself thrust into the spotlight after the listing of his SF Express courier service on the

called "parallel trading", where shoppers buy goods such as baby formula and medicines in Hong Kong and smuggle them to China for sale with a hefty markup.

In 2005, he reportedly staked the company as collateral for a half-a-million-dollar loan, according to Hong Kong's Next magazine. It was a bet that paid off.

Today, SF Express is the nation's largest parcel delivery company by revenue -- with sales of \$7.4 billion in 2015, according to Bloomberg -- riding a booming domestic



REUTERS/FILE

Commuters pass by the front of Bangladesh's central bank building in Dhaka.



AFP/FILE

When SF started delivering packages in the 1990s, it was still an illegal business called black delivery.

Shenzhen stock exchange made him a billionaire twenty times over.

He is now the fourth wealthiest man in China, according to Bloomberg's Billionaires Index, with \$23.3 billion on March 29, just behind Pony Ma, founder of internet giant Tencent.

A maverick who boasted in his only public interview that the business began as a "black" -- or illegal -- delivery service, the 46-year-old has built his company into the top courier in China's booming and cut-throat e-commerce market.

While he stubbornly avoids the media, his SF Express is now inescapable, with an 80,000-strong staff -- using three-dozen aircraft and thousands of vehicles -- delivering throughout China's huge cities.

Wang, the son of a Chinese army interpreter and raised in Hong Kong, launched SF Express in 1993 as a way to shuttle packages across the border between the then-British colony and the Communist-ruled mainland. It was a risky but lucrative job carried out by a handful of employees in a minivan.

"When SF started delivering packages in the 1990s, it was still an illegal business called 'black delivery'," Wang said in a 2011 interview with the Communist Party mouthpiece People's Daily. At the time, China's postal service enjoyed a monopoly over deliveries.

"We would be fined if caught by postal officers, so we had to handle packages sneakily."

His business grew on the back of so-

e-commerce industry that is led by Alibaba.

Wang realised his dream of joining the stock exchange after navigating a so-called "backdoor listing" this year, which allowed it to skip a waiting list of 700 firms looking to launch initial public offerings.

He was given a government green light for a complex transaction that allowed it to merge with a small rare earths company already listed in Shenzhen, then taking its place. The transaction was finalised on February 24, when SF Holding replaced Maanshan Dingtai's shares. Its price ballooned about 70 percent in eight sessions, massively inflating Wang's fortunes.

Analyst Xu Yong told AFP the surge was no surprise, as "sales reflect the general confidence" in the business prospects of SF Express, which saw profits rise 112 percent last year.

For SF Express, the listing is crucial to finance infrastructure investments that could make Wang richer yet, particularly in smaller cities and air freight, Xu added.

The group is also constructing a cargo airport in the central province of Hubei. China's express delivery industry is the largest in the world, with sales reaching 4 trillion yuan last year, representing more than 40 percent of global business in the industry, according to data from the country's postal service.

Wang's elusiveness has driven both media and investors to unusual lengths to learn about him and his company's operations.

Eurozone should discuss weaker sterling: EU presidency

REUTERS, Valletta

The eurozone will need to discuss the impact of the weaker British pound during Britain's negotiations to leave the European Union, the head of the EU's rotating presidency said on Wednesday, warning against advantages for London.

Malta's Prime Minister Joseph Muscat said the remaining 27 EU governments, and especially the 19 sharing the euro currency, needed to mitigate any negative consequences stemming from the sharp drop in sterling since Britain's June 2016 vote to leave.

"There are consequences for everyone ... that are very obvious," Muscat told a news conference alongside Spain's prime minister Mariano Rajoy, speaking just after Britain formally notified the EU of its decision to leave.

"There is one that the countries of the euro area are experiencing, the change in the value of the pound sterling," he said, citing the higher prices of goods, services and holidays for Britons coming to the euro zone, of which

Malta is a member.

"It's making some products less competitive for the Europeans, more competitive for the British," Muscat said.

He said the final agreement on a future relationship between the European Union and Britain must be inferior to full membership of the bloc.

Muscat said the euro zone would need to discuss the issue "not to come up with a fixed exchange rate but because some companies will need help", stressing that any proposals would be within EU limits on state aid.

The pound's dramatic fall to levels against the dollar not seen since the mid-1980s has made companies and citizens in both Britain and Europe fearful about the direction of the British currency.

Reuters most recent polling, covering expectations out to a year, runs from a German bank predicting a fall to around \$1.05 to Investec's \$1.35. British banking majors show a tighter range -- from \$1.10 to \$1.31.

India becomes net exporter of power for the first time

PALLAB BHATTACHARYA, New Delhi

Powered by the highest supply to Bangladesh, India has for the first time turned around from a net importer of electricity to a net exporter.

This year, India exported 5,798 million units of electricity to Bangladesh, Nepal and Myanmar, our New Delhi correspondent reports quoting an official statement.

Also, export of electricity to Bangladesh and Nepal increased 2.8 and 2.5 times respectively in the last three years. The total export was 213 million units more than the import. India first began commissioning power to Bheramara in Bangladesh at 400kV in September 2013 through Baharampur in West Bengal. It was further augmented by second interconnection between Surjyamaninagar in Tripura and Comilla.

At present, around 600 MW power is being exported to Bangladesh. India had been exporting around 190 MW power to Nepal through 12 interconnections. Export of power to Nepal further increased by around 145 MW with a commissioning in 2016.

Export of power to the Himalayan country is expected to go up by around 145 MW soon.

A few more cross-border links with the neighbouring countries are in pipeline which would further increase India's export of power to them, the statement said without elaborating. However, it is understood that Bangladesh and India will sign a deal on cooperation in the power sector during Prime Minister Sheikh Hasina's official visit to New Delhi in the first week of April.

Uber diversity report shows shortage of women, minorities

REUTERS

UBER Technologies Inc released its first diversity report on Tuesday, showing that women and non-white employees are underrepresented at the ride-services company - just as they are at many other technology firms.

Uber released the information after a series of revelations about its culture and business tactics that have incited calls for consumers to boycott the company and changes in senior management. A former employee last month recounted a workplace of sexual harassment and cut-throat competition, prompting Uber to launch an internal investigation.

Uber's workforce overall is comprised of 36 percent women, but that number falls to 15 percent when looking at employees with technical roles, the company said.

By comparison, Alphabet Inc's Google's staff is 31 percent women, Twitter Inc's is 37 percent women and messaging startup Slack's workforce is 43 percent women, according to the companies' websites.

Half of Uber's total workforce is white, while Asians are the second-largest ethnic group at 31 percent, blacks make up nearly 9 percent and Hispanics account for less than 6 percent, according to the report.

However, when looking at just those employees with technical jobs, only 1 percent of Uber's staff is black and 2 percent is Hispanic.



REUTERS

A private security guard stands outside Uber offices in Parktown, a suburb of Johannesburg.

"We need to do better and have much more work to do," Liane Hornsey, Uber's human resources chief, said in a blog post accompanying the diversity report, which was posted on Uber's website.

Uber also announced in the report it was committing \$3 million over the next three years to support organizations working to bring more women and underrepresented groups into tech. It did not say which organizations would benefit.

Hornsey acknowledged that "it's no secret that we're late to release these numbers." Technology companies, including startups, have released annual diversity reports for years. Uber was founded in 2009.

Uber's report comes more than a

month after a former employee, Susan Fowler, wrote a blog post describing a company culture where sexual harassment was common and went unpunished.

The allegations prompted an internal investigation being led by former U.S. Attorney General Eric Holder, and a public rebuke from early Uber investors Mitch Kapor and Freeda Kapor Klein.

Uber said in its diversity report that its hiring practices are improving. Last year, Hornsey said, 41 percent of new employees were women, which is 5 percentage points more than the proportion of women in its overall workforce. Uber's pool of new hires also has a larger percentage of blacks and Hispanics.

UK-based banks already knocking on Germany's door: Bundesbank

REUTERS, Frankfurt

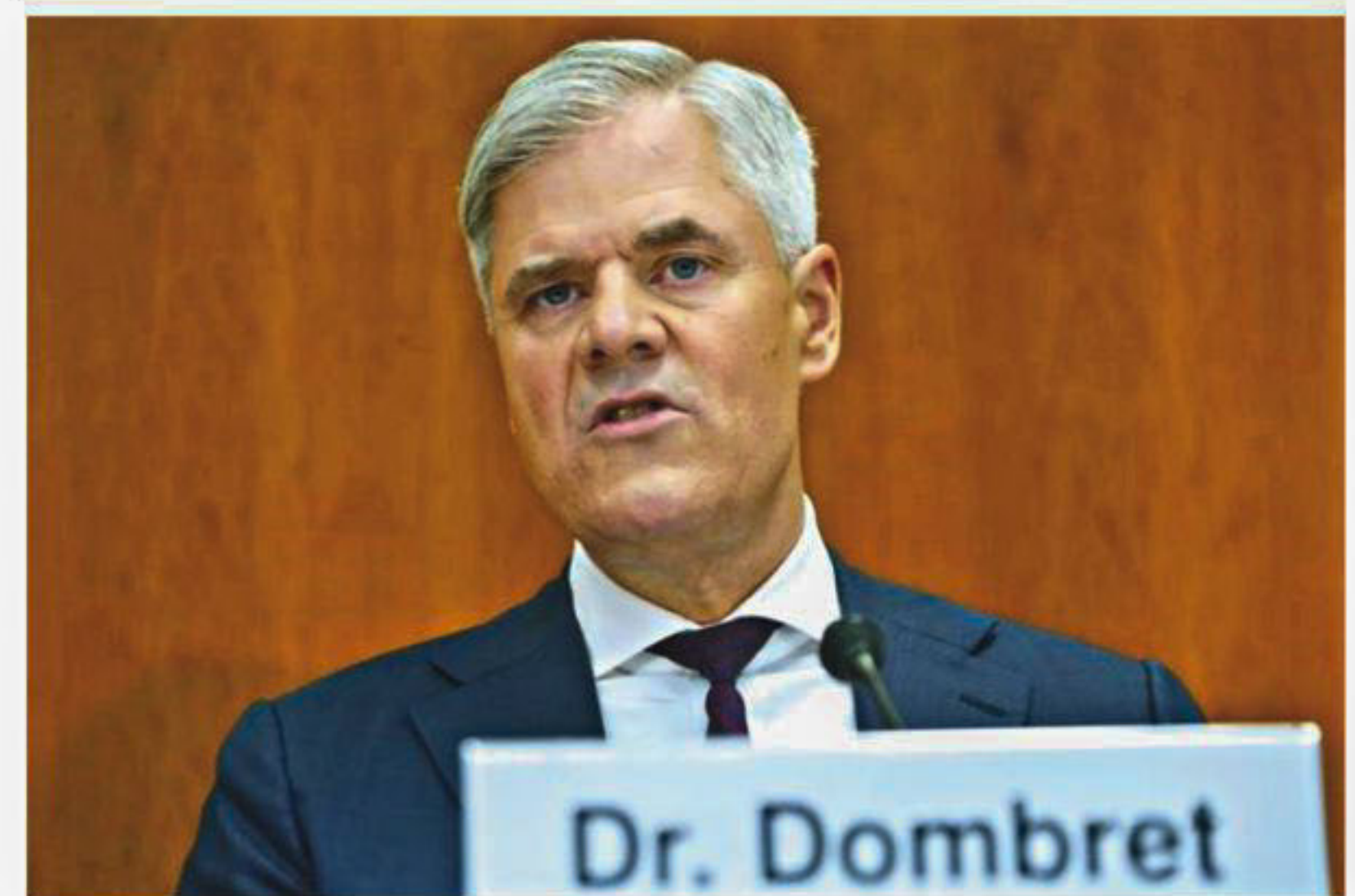
BANKS seeking to leave London because of Brexit are already holding talks about moving to Frankfurt but they will not be offered any special exemption from the regulations, a senior board member of Germany's central bank told Reuters.

Banks moving to the continent will likely settle in a number of cities rather than create one new financial hub to rival London, Andreas Dombret said in an interview authorized for release on Wednesday, the day British Prime Minister Theresa May was due to formally launch two years of divorce negotiations.

"Many banks interested in Frankfurt have knocked on our door and I've had a lot of interesting discussions," said Dombret, the Bundesbank's top supervision expert. "I do not expect all banks to move to the same city on the continent. They will certainly spread out a little bit."

Competing with other financial hubs such as Paris, Milan, Amsterdam or Dublin, Germany's financial center hopes to attract banks currently based in London that move staff and some operations to continental Europe.

But Dombret, 57, whose term at the Bundesbank ends next year, said Germany would not offer banks any favors to come to Frankfurt, which is home to the European Central Bank, Deutsche Bank and Commerzbank, maintaining its strict standards.



REUTERS

Andreas Dombret, member of the board of the Deutsche Bundesbank, speaks during a news conference at the Deutsche Bundesbank's regional office at Hesse in Frankfurt.

"We will not allow regulatory arbitrage. You may outperform the rules, but you must not underperform," Dombret said, adding that the Bundesbank would not be marketing Frankfurt. Banks seeking to operate in the European Union need regulatory permission - known as the 'EU passport' - and must set up a regional headquarters in at least one EU member state.

The European Central Bank, which oversees the biggest banks in the euro zone, has said that only a handful of banks have so far indicated that they plan to move some operations, but dozens have made inquiries.

Dombret, a former investment banker who joined the Bundesbank's board seven years ago, said he did not believe Brexit would kick-start a much-needed wave of consolidation in Germany's fragmented financial industry, adding that he expected no increase in pressure on domestic banks from global players.

"I do not believe that. Ninety-nine percent of German banks are not competing with the banks that may come here," he said, arguing that most of the 1,900 German lenders are smaller savings and cooperative banks mainly focused on retail business.