

Apple tops \$800b market cap for first time



Apple CEO Tim Cook

REUTERS, New York

APPLE Inc became the first US company to top the \$800 billion mark in market capitalization on Tuesday, slightly more than two years after it crossed the \$700 billion threshold. The iPhone maker's shares have gained 33 percent this year and almost 50 percent since the US election in November. The company represents about 4 percent of the \$21.7 trillion that makes up the entire S&P 500 index. Apple accounted for as much as 4.9 percent of the S&P 500 in September 2012 but is a smaller percentage now as the index as a whole has rallied more than 7 percent this year. "It's just reflective of how powerful a franchise it is. It may be the most powerful franchise in the country today," said Rick Meckler, president of LibertyView Capital Management in Jersey City, New Jersey, whose firm does not own the stock. "Considering that it has a limited number of products, it has really dominated that market in a way that few companies

have, and it's been able to retain margins despite lots of competitors." If Apple continues on its growth path, the company will top the \$1 trillion market cap level later this year. Stock buybacks have also bolstered Apple shares, with the company reducing its actual share count by 20.9 percent and the average diluted shares outstanding by 20.5 percent over the past four years, according to Standard & Poor's data. The median price target on Apple is \$160, up from the \$140 median three months ago. Shares closed at \$153.99 on Tuesday. The closing market cap of \$802.8 billion was larger than the economies of 45 of the 50 US states, topped only by Illinois, Florida, New York, Texas and California. Billionaire Warren Buffett, whose Berkshire Hathaway has disclosed a stake of roughly \$20 billion in Apple, said on Monday he had grown more fond of the company because he could "very easily determine" the iPhone maker's competitive position "and who is trying to chase them."

EU to launch more e-commerce antitrust investigations

REUTERS

THE European Union plans to launch more antitrust investigations into e-commerce companies after a two-year inquiry uncovered practices that restrict competition, the European Commission said on Wednesday. In its report following the initial inquiry, the European Commission said there was an increased use of contractual restrictions to control product distribution, which could be in breach of EU antitrust rules. "Certain practices by companies in e-commerce markets may restrict competition by unduly limiting how products are distributed throughout the EU," Competition Commissioner Margrethe Vestager said in a statement. The e-commerce sector inquiry is part of the European Commission's campaign to overhaul the bloc's digital market in a

bid to boost growth and catch up with the United States and Asia. "The insight gained from the sector inquiry will enable the Commission to target EU antitrust enforcement in European e-commerce markets, which will include opening further antitrust investigations," the Commission said. The EU executive also found that manufacturers increasingly use selective distribution systems where products can only be sold by pre-authorized sellers, giving them more control over distribution and price. The report showed that almost 60 percent of digital content providers have agreed with the copyright holders for music, films and TV shows, for example, to geoblock, namely restricting consumers' access to products and services based on where they are located. Some licensing practices may also make it more difficult for online business models and ser-



REUTERS/FILE

European Union flags fly in front of the European Central Bank headquarters in Frankfurt.

vices to emerge, the Commission said. EU antitrust scrutiny of the pharmaceutical, energy and financial services industries over the past decade prompted investigations into companies in all three sectors.

US small businesses worry about trade policy, too

AFP, Washington

SMALL business owners trying to break into international markets say US trade policies and the strong dollar affect their ability to export, states a report released Tuesday. The exchange rate "has been a big one," said Jamie Deering, whose parents started Deering Banjo in 1975 in San Diego, California. Exports of the iconic American folk instrument account for 30 percent of the company's business. Many of the 16 small businesses featured in the report entitled "The New Faces of American Trade" also cite the strong US dollar as a factor weakening their potential to export, a complaint they share with larger manufacturers.

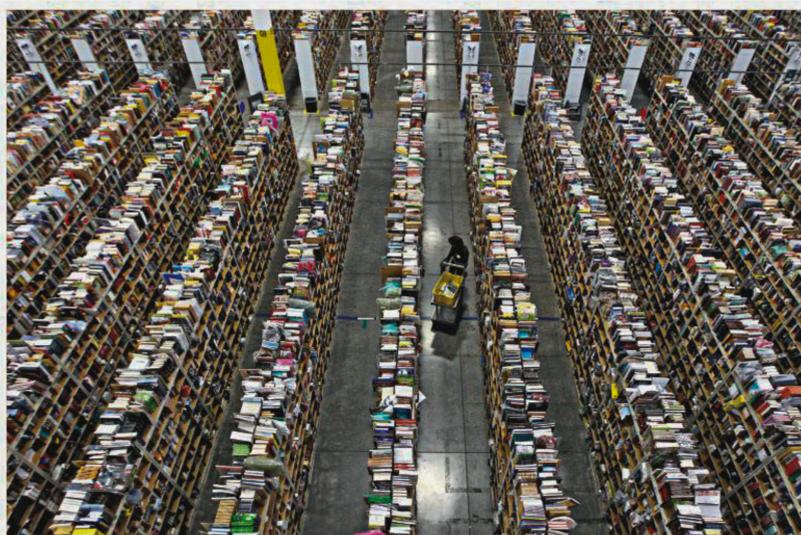
A strong dollar makes US products more expensive, and thus less competitive, in overseas markets. Wei-Shin Lai, who with her husband Jason Wolfe invented SleepPhones -- wearable headphones in a flexible headband -- said the company had to pull out of the Boots convenience store chain in Britain because they could no longer compete due to the unfavorable exchange rate. "It became untenable for us to make money," she said at a forum on the report Tuesday. Her company is based in the struggling Rust Belt city of Erie, Pennsylvania. The report, produced by the Global Innovation Forum, a nonprofit connecting small businesses with policymakers and resources to join the global marketplace, examined how these companies use internet

resources to expand their export presence. Like bigger companies, small businesses favor open trade and consistent rules. And trade negotiations are key to keeping markets overseas open to American products. "If we're not at the table another voice will step in," Lai said. "We need to be there," she said of international trade negotiations. Deering told the forum about changes in rules on exporting rosewood that have forced changes in production procedures, since the company uses rosewood inlay on their banjos. LoveBook, which produces customized individual books as gifts for a loved ones, has resorted to partnering with companies overseas to print their product, an arrangement which in many cases is easier than dealing with export rules.

Amazon trounces rivals in battle of the shopping bots

REUTERS, San Francisco

EARLIER this year, engineers at Wal-Mart Stores Inc who track rivals' prices online got a rude surprise: the technology they were using to check Amazon.com several million times a day suddenly stopped working. Losing access to Amazon.com Inc's data was no small matter. Like most big retailers, Wal-Mart relies on computer programs that scan prices on competitors' websites so it can adjust its listings accordingly. A difference of even 50 cents can mean losing a sale. But a new tactic by Amazon to block these programs - known commonly as robots or bots - thwarted the Bentonville, Arkansas-based retailer. Its technology unit, @WalmartLabs, was unable to work around the blockade for weeks, forcing it to retrieve Amazon's data through a secondary source, according to a person familiar with the matter who was not authorized to speak publicly. The previously unreported incident offers a case study in how Amazon's technological prowess is helping it dominate the retail competition. Now the largest online retailer in the world, Amazon is best known by consumers for its fast delivery, huge product catalog and ambitious moves into areas like original TV programming. But its mastery of the complex, behind-the-scenes technologies that power modern e-commerce is just as important to its success. Dexterity with bots allows Amazon not only to see what its rivals are doing, but increasingly to keep them in the dark when it undercuts them on price or is quietly charging more. "Benchmarking against Amazon is going to stop them," said Guru Hariharan, a former Amazon manager who now sells pricing software to retailers as chief executive of Mountain View, California-based Boomerang Commerce. A Wal-Mart spokesman declined to discuss the January episode but said the company improves its technology regularly and has multiple tools for tracking items. He said the company offers value not only through pricing but from discounts for in-store pickup and other benefits. A spokeswoman for Amazon said the company is aware of competitors using bots to check its listings and denied any "campaign" to stop them. "Nothing has changed recently in how we manage bots on our site," she said. Still, she said, "we prioritize humans over bots as needed." Bots can slow down a website, a big motivator for retailers to block them. Reuters interviewed 21 people familiar with bots and how they are deployed, including current and former Wal-Mart employees, for-



REUTERS/FILE

A worker gathers items for delivery from the warehouse floor at Amazon's distribution centre in Phoenix, USA.

mer Amazon employees and outside specialists. Many spoke only on condition of anonymity because they were not authorized to discuss the issues publicly. The company's technological edge has been good for its profit margin, and it's proving a winning formula for investors. Shares of the internet powerhouse have risen about 15-fold since the market's bottom in March 2009, while the S&P 500 has more than tripled in value. Amazon hit \$100 billion in annual sales in 2015 - faster than any company in history, it said. Bot-driven pricing has represented a massive change for the retail industry since Amazon helped pioneer the practice more than a decade ago. Traditionally, brick-and-mortar stores changed prices no more than weekly because of the time and expense needed to swap labels by hand. In the world of e-commerce, though, retailers update prices with ease, sometimes multiple times a day, helped by algorithms that consider inventory levels, sales forecasts and rivals' pricing data. To stay in the game, companies such as online wholesaler Boxed, based in New York, depend on a variety of methods including bots to ensure they do not lag others' price moves for even 20 minutes. "That's like a lifetime during Christmas," said Chief Executive Chieh Huang, whose company sells bulk staples like toilet paper and pet food. "If we're not decently priced,

we'll see it almost immediately" in sales declines. Using bots to view massive amounts of data on public websites - a process known as crawling or scraping - has many purposes. Alphabet Inc's Google, for example, constantly crawls the Web to gather information for its search engine results and to sell ads. In e-commerce, though, the use of bots has developed into a cat-and-mouse game. Companies try to thwart the practice on their own websites while aiming to penetrate their competitors' defenses. Third-party services abound to help less-savvy retailers. To protect data from rivals, some retail websites use what's known as a "CAPTCHA" - typically a distorted string of letters and numbers that humans can read but most bots can't. Amazon shies away from the practice because it annoys some customers. For merchants seeking to evade such defenses, disguising their computer programs as real shoppers is key. Some pricing technology experts have programmed computer cursors to meander through a Web page in the way a person might, instead of going directly to the prized data. Another technique is to use multiple computer addresses so that retailers cannot track a barrage of clicks to a single source. "It is an arms race," said Keith Anderson, a senior vice president at e-commerce analytics firm Profitro, based in Ireland. "Every week or every month, there's some new approach from both sides."

Bitcoin surges to all-time high above \$1,700

REUTERS, New York

DIGITAL currency bitcoin hit a record high on Tuesday as demand for crypto-assets soared with the creation of new tokens to raise funding for start-ups using blockchain technology. Blockchain, the underlying technology behind bitcoin, is a financial ledger maintained by a network of computers that can track the movement of any asset without the need for a central regulator. Bitcoin hit a record \$1,760.40 BTC on the BitStamp platform and was last at \$1,747.89, up 6 percent on the day. So far this year, bitcoin has surged nearly 80 percent. Bitcoin's market capitalization on Tuesday soared to \$52.5 billion, according to data from coinmarketcap.com. Aside from being an asset that can be traded on exchanges like stocks and bonds, bitcoin has become a mode of payment for some retailers, such as Overstock.com, and a way to transfer funds without the need for a third party. "We have an influx of new capital in the space and that capital goes back and forth among crypto-assets and bitcoin," said Chris Burniske, blockchain products leader at ARK Invest in New York, which manages exchange-traded funds. "Bitcoin is still the main liquidity provider in the market and people use it to buy other crypto-assets." That said, Minneapolis Federal Reserve

Bank President Neel Kashkari has been skeptical about bitcoin's outlook, noting that blockchain has more potential for being adopted in the future than the digital currency itself. "I think sentiment has shifted in the markets, in the Fed," Kashkari said at a technology conference in Minneapolis on Tuesday. Still, a big part of bitcoin's recent surge is the increase in demand for other digital currencies being sold in so-called "initial coin offerings," or ICOs. Under ICOs, blockchain start-ups sell their tokens directly to the public to raise capital without any regulatory oversight. At least 40 start-ups have launched an ICO this year, according to Smith + Crown data. "For the first time in financial history, founders can access capital from both large and small investors armed with nothing more than a slick website," said Arthur Hayes, chief executive at crypto-currency derivatives trading platform BitMEX. Analysts say the foundation for bitcoin's gains was set last July in a process called "halving," in which rewards offered to bitcoin miners shrink. That has constrained bitcoin's supply. Bitcoin relies on so-called "mining" computers that validate blocks of transactions by competing to solve mathematical puzzles every 10 minutes. In return, the first to solve the puzzle and clear the transaction is rewarded with new bitcoins.

BERGER Robbialac
বাংলাও কীবন হেচ্ছেনতন

BERGER Robbialac
Acrylic Plastic Emulsion

BERGER Robbialac
SUPER GLOSS SYNTHETIC ENAMEL

বাংলাদেশের সর্বাধিক বিক্রিত #1 পেইন্ট ব্র্যান্ড

www.bergerbd.com fb.com/bergerbd 08000123456