



Musleh Uddin Ahmed, chairman of the Dhaka Regency Hotel & Resort Ltd, and Kabir Reza, managing director, attend the company's 10th annual general meeting at Celebration Hall of the hotel yesterday. The company approved 22 percent consolidated cash dividend for the year ending on June 30, 2017.

DHAKA REGENCY HOTEL & RESORT

## France trims 2019 growth forecast

AFP, Paris

The French government has revised its growth forecast for 2019 downwards to 1.7 percent from 1.9 percent, Prime Minister Edouard Philippe told the Journal du Dimanche.

"The growth forecast on which we will build this (2019) budget will be 1.7 percent," he told the weekly in an interview, while promising to maintain "the pace".

"When we came up with last year's budget, we projected 1.7 percent for 2018 and 2019," he said.

"We were criticised because we were too cautious, and today we're back to that number. Predictions are important, but what matters is the policy that is being pursued, and we are staying the course and keeping up the pace," the prime minister added.

On August 1, Budget Minister Gerald Darmanin also trimmed the growth forecast for 2018 from 2.0 percent, estimating that it would be "not less than 1.8 percent".

The government had lowered its fore-

cast after a slowdown in the first half of the year, with the French economy expanding just 0.2 percent in the first and second quarters, compared with 0.7 percent growth in the last three months of the 2017.

Darmanin, however, had said the target of a 2.3 percent deficit for the current year would not be changed.

But Philippe conceded that "if growth slows, there will inevitably be an impact".

"But that will not prevent us from being in line with our commitments," to control public expenditure and debt, he said.

The prime minister also pointed out that 4,500 civil service positions would be eliminated in 2019, and more than 10,000 in 2020.

"For the state civil service, we will hold to the goal of the president of the republic to cut 50,000 posts by 2022," he said.

During his election campaign, President Emmanuel Macron promised to cut a total of 120,000 civil service jobs during his five-year term, including 50,000 from the central government.

# Delayed wages, lower profits: Chinese gaming firms fret as approval freeze bites

REUTERS, Beijing/Shanghai

As a publisher of family-friendly games like "Gardenscapes" and "Toy Blast", iDreamSky Technology never expected to get caught up in a tangle with Chinese regulators.

But the Shenzhen-based gaming company is enduring an unprecedented wait for over a dozen of its games to be approved for release in China, a situation it fears could impact profits this year.

iDreamSky is one of many Chinese gaming firms fretting over the implications of a regulatory hold-up that began in March and prompted Tencent, China's largest social media and gaming company, to warn of slower revenue growth.

The reason for the approval slowdown appears to be the result of a bureaucratic reshuffle this year as China tightened its grip on content for entertainment ranging from video games to television reality shows.

Those changes have bogged down the approval process as the purview of each regulatory office is refined, industry insiders say.

While analysts expect Tencent to bounce back thanks to its many business streams, they say many smaller companies that rely on a few game releases a year are at risk.

"It's hurt us a lot," said one iDreamSky employee, referring to the approval situation. "This will have an impact on our business in the second half of this year and next year." The employee spoke on condition of anonymity, citing market sensitivities.

iDreamSky, which is planning to list on the Hong Kong stock exchange, said in May it expected to launch 13 licensed and self-developed games in 2018 and 2019, in genres ranging from sports to puzzles.

The company was previously listed on the United States' Nasdaq board and is backed by Tencent, which is its second-largest shareholder with a 20.65 percent stake.

iDreamSky did not respond to requests for comment.

China overtook the United States as the



REUTERS

People play online games at an internet cafe in Fuyang, Anhui province, China on August 20.

largest single gaming market by revenue in 2016, and is expected to rake in \$37.9 billion this year, up 17 percent from last year, according to the research firm Newzoo.

The Chinese gaming industry comprises over 200 companies, 188 of which are publicly listed and earn 90 percent of total revenue, Newzoo said.

These companies are subject to complicated game approval procedures in China, with executives saying that it can take six months or

more for a game to be approved for sale.

Games have to be approved by the government watchdogs for media publication, cyberspace and intellectual property, as well as the ministries for culture and information technology, who scrutinise things like content and copyrights. Additional approvals are required for imported games.

"You need licenses for everything in China," said David Hanson, co-chief executive of the gaming distribution platform Ultra. "But in the

West it's instant - you work in a basement and then release your game."

Tencent last week said a government restructuring had caused a temporary suspension of approvals that would have allowed it to monetise its most popular game.

The Chinese government in March split the industry's main regulator into two units, while transferring some power to the Communist Party propaganda department, in a step aimed at strengthening its grip over content and ideology.

Government data shows that the reorganisation coincided with a halt in approvals.

China gave the green light to 1,982 domestic and foreign online games between January and March this year before suddenly stopping approvals, according to government data. In 2017, it approved a total of 9,651 domestic and foreign online games.

China's Ministry of Culture and Tourism did not respond to requests for comment.

A founder of a gaming studio in the northern province of Hebei, who would only agree to use his surname, Cang, said he been forced to delay salary payments and use his own money to keep his business going.

"The approval freeze hits small game companies like mine the hardest, it makes it hard for us to go on," said Cang, whose company has seven employees. "My goal for this year is not to go bankrupt."

Fuchun Technology Co Ltd, which makes mobile, console and online games, said in July that it would likely report a fall in profit of up to 75 percent for the first half as it was unable to release new games as scheduled.

Some reprieve has been given in the form of a "green channel" which allows new games to obtain one-month temporary licenses for new games, but only ten have so far been granted this, industry executives said.

The government is still assessing games despite the halt in approvals, said a censor at a publishing house in the eastern city of Hangzhou who examines games before they go to the central regulator for further checks.

He said that there had been a tightening this year on what types of content were acceptable.

Content seen as being at odds with China's "socialist core values" is being scrubbed, while games that are too violent and gory - for example those involving zombies - are being rejected, said the censor, who only gave his surname as Zhang.

For now, companies can only keep applying for approvals and hope things change, said the iDreamSky employee.

## 'Amazon effect' could have impact on inflation dynamics: paper

REUTERS

More frequent price changes for goods and a rise in the consistency of pricing due to the growth of online retailers may be affecting inflation, according to an academic paper presented on Saturday to some of the world's top central bankers.

"In the past 10 years online competition has raised both the frequency of price changes and the degree of uniform pricing across locations," said Alberto Cavallo, an associate professor at Harvard Business School, who analyzed how so-called multi-channel retailers - those with brick-and-mortar and online outlets - such as Walmart Inc have reacted to the rise of Amazon.com Inc.

Algorithmic pricing technologies are widespread among both types of retailers and the transparency of the internet has also reduced pricing disparities, he said in the paper delivered to the annual conference of central bankers in Jackson Hole, Wyoming. Federal Reserve Chairman Jerome Powell is among those attending.

A number of Fed policymakers have raised the prospect that relatively low levels of US inflation in recent years in the face of a strong economy may be due to the ability of companies like Amazon to keep a lid on overall prices.

The Fed's preferred measure of inflation - the personal consumption expenditures (PCE) price index excluding food and energy components - hit the central bank's 2 percent target in March for the first time in six years. But there are no signs it will accelerate sharply, as many economists have come to expect in periods of low unemployment.

The US unemployment rate currently stands at 3.9 percent while the economy is experiencing

robust growth in what is the second-longest expansion on record.

This environment has meant retailers have had to become more nimble, leading to lower margins. For example, Cavallo found that Walmart more frequently changed the prices on its website between 2016 and 2018 for products also easily found on Amazon.

Last week, Walmart reported second-quarter sales that topped estimates as more shoppers visited its stores and a revamped website drove

online purchases. Walmart's e-commerce sales grew 40 percent, up from 33 percent growth in the previous quarter, but gross margins fell for the fifth consecutive quarter.

Cavallo also found retailers more responsive to changes in other factors as well.

"Fuel prices, exchange-rate fluctuations, or any other force affecting costs that may enter the pricing algorithms used by these firms are more likely to have a faster and larger impact on retail prices than in the past," he concluded.



REUTERS

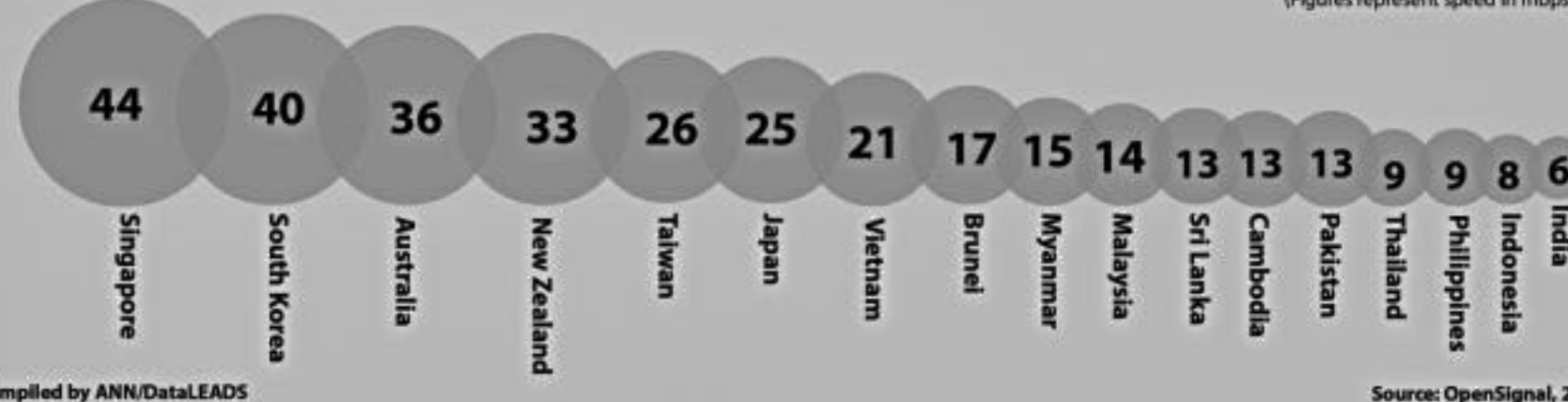
The logo of Amazon is seen at the company logistics centre in Boves, France.

## World's fastest 4G network in Singapore

Singapore has the world's fastest 4G Network

Singapore has the fastest 4G network followed by South Korea and Australia in the Asia-Pacific region.

(Figures represent speed in mbps)



Compiled by ANN/DATELEADS

Source: OpenSignal, 2018

DATELEADS, New Delhi

Singapore has the fastest 4G network followed by South Korea and Australia in the Asia-Pacific.

Singapore is also the fastest 4G country in the world, according to a report by Open Signal, a UK-based wireless technology company. The report compares 4G performance across 88 countries worldwide.

South Korea is the second fastest network in Asia followed by Australia and New Zealand. In Australia, Vodafone has jumped ahead of Telstra in the 4G speed metric, averaging LTE downloads of 40 Mbps.

Taiwan's operators are quickly joining the global elite in 4G availability and it is the fifth fastest network speed in Asia.

It is followed by Japan and Vietnam at 25.39 and 21.49 mbps respectively. As per the report Japan 4G network speed is by no means slow, but it is still well away from matching the LTE speeds of the elite countries.

Brunei Darussalam has eighth fastest

network in Asia with 17.48 mbps speed. It is followed by Myanmar and Malaysia. Other countries below 15mbps are Sri Lanka, Cambodia and Pakistan.

India fares poorly in the report. Its operators are still focused on growing LTE's reach rather than injecting more speed into their 4G services, according to the report.

According to the report through improved smartphone technology and new spectrum, mobile operators have elevated average 4G speeds first beyond 20 Mbps, then beyond 30 Mbps, and in the last two years, beyond 40 Mbps.

However now the industry seems to have reached a limit to what current technology, spectral bandwidth and mobile economics can support on a nationwide level.

The fastest countries average LTE download speeds have stalled at just over 45 Mbps, as per the report. Speeds, however, remained stagnant, but that could soon change as the wave of consolidation clears the way for new high-capacity networks".

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