ICB ISLAMIC BANK

Muhammad Shafiq Bin Abdullah, CEO of ICB Islamic Bank, attends the bank's Annual Branch Managers' Conference-2019 at its head office in Dhaka recently.

Newmont buys Goldcorp to create world's top gold company

AFP, *New York*

US gold miner Newmont Mining Corporation said in a statement Monday it was buying Canadian rival Goldcorp Inc for $10 billion, creating the world's largest gold mining company.

Colorado-based Newmont said it would buy all of Goldcorp's outstanding common shares in a stock-for-stock transaction, acquiring each share for 0.3280 of a Newmont share, "which represents a 17 percent premium based on the companies' 20-day volume weighted average share prices," a company statement read.

The industry has been consolidating as gold mines around the world get depleted, driving up costs and encouraging companies to come together in mergers and alliances.

The merged company, to be named Newmont Goldcorp, will produce some 7.9 million ounces of gold a year.

"This combination will create the world's leading gold business with the best assets, people, prospects and value-creation opportunities," said Newmont Chief Executive Officer Gary Goldberg.

The merger "creates the world's premier gold company," added Goldcorp President and Chief Executive Officer David Garofalo.

"Newmont Goldcorp will be one of Canada's largest gold producers and will have its North America regional office in Vancouver, and expects to oversee more than three million ounces of the combined company's total annual gold production," he said.

Goldberg, Newmont's chief executive since 2013, will stay on as CEO until the merger is complete, likely in the last quarter of 2019. Then he will retire, and Chief Operating Officer Tom Palmer will take over, the company said.

Newmont Goldcorp also plans to sell up to $1.5 billion in assets over the next two years "to optimize gold production at a sustainable, steady-state level of six to seven million ounces annually," the statement read.

India's electric vehicle goals being realised on two wheels, not four

REUTERS, *Gove/New Delhi*

Hurt by high fuel prices, Vinod Gore, a farmer in Gove village in the western Indian state of Maharashtra, ditched his petrol scooter for an electric model, underlining how two-wheelers are driving the country's goal of electrification of its vehicles.

Gore's electric scooter, built by Indian start-up Okinawa, runs for about 100-120 km (60-75 miles) on a single charge which costs the sugarcane farmer less than 10 percent of the 150 rupees ($2.15) he would otherwise have spent on fuel for the same distance.

"I bought it to save money," said Gore, who paid 75,000 rupees ($1,077) for the scooter and expects to recover the cost in two to three years in terms of savings on petrol and maintenance.

Prime Minister Narendra Modi's government has set a target of electric vehicles making up 30 percent of new sales of cars and two-wheelers by 2030 from less than 1 percent today.

But its efforts to convince carmakers to produce electric vehicles have flopped mainly because of no clear policy to incentivize local manufacturing and sales, lack of public charging infrastructure and a high cost of batteries.

Cost-conscious two-wheeler buyers like Gore might be a better bet. It would also open up a new market for global companies like Japan's Yamaha Motor and Suzuki Motor that are drawing up initial plans to launch electric scooters and motorcycles in the country.

The potential is huge. India is the world's biggest market for scooters and motorcycles with annual domestic sales exceeding 19 million in the fiscal year ended March 31, 2018 - six times that of car sales over the same period.

The next biggest market is China, with annual motorcycle sales of about 17 million in 2017.

Electric scooters make up a fraction of the total but are growing fast. In fiscal 2017-18, sales more than doubled to 54,800 from a year ago while electric car sales fell to 1,200 from 2,000 over the same period, according to data from the Society of Manufacturers of Electric Vehicles (SMEV).

By 2030, sales of electric scooters are expected to cross 2 million a year, even as most carmakers resist bringing electric cars to India.

The roadblocks for scooters are fewer. Compared with cars, scooters are lighter, which means they can use less powerful batteries that are cheaper. The scooters can also be charged quickly and more easily, often using existing plug points in homes, and their price is similar to petrol-powered models.

The challenge is that most electric scooters sold today are utilitarian and not as powerful as models that run on petrol that can go faster and climb gradients easily. The supply chain is not robust which means manufacturers need to rely on importing components.

Importantly, electricity supply in smaller towns and cities, where demand is picking up, is irregular although frequent power shortages in India are a thing of the past.

"India's electric revolution will be led by two-wheelers. It is a value for money equation," said Sohinder Gill, global chief executive officer at Hero Electric, the country's top-selling e-scooter manufacturer.

In May 2017, India's federal economic policy think tank began discussions to form a new policy that suggested electrification of all new vehicles by 2030 by mainly offering subsidies to buyers.

The proposal faced resistance from carmakers and auto parts companies that considered the shift too sudden and ambitious, and the target was dialed back to 30 percent.

India is now working on a new policy which aims to incentivize investments in electric vehicle manufacturing, batteries and smart charging, instead of only giving benefits on sales.

The government also wants to push the use of electric vehicles for public use, a revolution already led by three-wheeled autorickshaws. Sales of these vehicles, ubiquitous on Indian city roads, are expected to double to 935,000 units a year by 2023, according to consulting firm P&S Market Research.

"A policy or incentive to help manufacturers of cars or two-wheelers will go a longer way in making electric mobility more affordable than subsidizing individual buyers," said Kaushik Madhavan, vice president, mobility at consultant Frost & Sullivan.

A handful of carmakers including Maruti Suzuki India Ltd, Toyota Motor Corp and Nissan Motor Co are testing the ground to launch electric vehicles in the country, some as early as 2020.

Two-wheeler companies are further down the road with Hero Electric and several start-ups including Okinawa, Ather Energy and Twenty Two Motors already selling electric scooters.

Hero, which sold 31,000 electric scooters in 2017-18, expects to double sales every year for the next few years and break even on costs within one year, said Gill.

Japan's Suzuki Motor is working on plans to launch an electric scooter in India by 2020, while Indian motorcycle makers Bajaj Motor and TVS Motor are also eyeing electric models.

Yamaha, which is developing a global electric two-wheeler platform, plans to bring an electric scooter or motorcycle to India in the next 3 to 5 years, Yasuo Ishihara, managing director of the manufacturer's India unit, told Reuters.

While Ishihara did not say how much Yamaha plans to invest in its electrification push, he said any investment shall mainly be for power units and batteries and to develop infrastructure with partners.

"Right now the need of the hour is a proper roadmap and a clear policy by the government of India to actually turn this ambition into reality," Ishihara said.

REUTERS/FILE

A worker checks the power supply to recharge an electric scooter inside a workshop in Ahmedabad.

It's difficult to get digital tax deal

EU economy chief says

Pierre Moscovici

AFP, *Paris*

The EU's Economic Affairs commissioner said Monday that it will be "difficult" for the bloc to agree unanimously on an EU-wide tax on high-tech giants by a self-imposed March deadline.

Speaking to reporters in Paris, Pierre Moscovici also said he would submit to his commission colleagues a proposal ending a veto that national governments hold on tax matters, which gives any government the power to torpedo even the least ambitious proposal on tax matters.

The veto provision had become "an obstacle" to dealing with global challenges, he said.

Ireland, Denmark and Sweden are opposed to Moscovici's proposal for an EU directive taxing internet company's turnover to ensure that global tech platforms like Facebook and Google pay their fair share.

France has been backing the idea as has Germany, with qualifications, but that will not be enough under the current system.

"It is clear that the French-German accord presented last December did not win unanimous support, neither on the day itself nor in the following days, so we must assume that while a joint solution is not impossible, it will be difficult to achieve by March," Moscovici said.

Paris has argued the measure would be a vote-winning accomplishment for mainstream EU politicians ahead of the European Parliament elections in May, in which anti-Brussels populists could do well.

But Ireland, which hosts the European headquarters of several US tech giants, leads a small group of otherwise mostly Nordic countries that argue the tax will also punish European companies and stoke Washington's anger.

Bharti Airtel in talks to buy Telkom Kenya

REUTERS, *Nairobi*

India's Bharti Airtel is in talks to buy Telkom Kenya, the East African nation's smallest telecoms operator, to create a stronger challenger to market leader Safaricom, three industry sources told Reuters on Monday.

London-based Helios Investment, which owns a 60 percent stake in Telkom, is looking to partly cash out of the investment which it entered in 2015, the sources said.

Airtel, currently Kenya's second-biggest telecoms operator, declined to comment. Number three Telkom was not immediately available to comment.

The move comes after the two companies held merger talks last year, only for them to abandon the plan. Telkom made the approach that time.

"Airtel is in the driving seat. They are leading the talks. Helios is partially cashing out," said one of the sources.

The deal is expected to be completed by the end of this quarter, the sources said.

The sector regulator Communications Authority of Kenya said it was yet to be formally notified by the two operators of the latest attempt at a deal.

REUTERS/FILE

A Bharti Airtel office building is pictured in Gurugram on the outskirts of New Delhi.

ICT and Telecom Minister Mustafa Jabbar is greeted after taking charge of the ministry for the second time by the leaders of Amrai Digital Bangladesh, a platform of ICT entrepreneurs, at a programme at the ICT ministry at Agargaon in Dhaka last week.

AMRAI DIGITAL BANGLADESH

QATAR AIRWAYS

Participants react to the starting gun at Ooredoo Doha Marathon in the Museum of Islamic Art Park in the capital of Qatar on January 11. Qatar Airways was an airline partner and gold sponsor of the event.

Fuel hike sparks protests in Zimbabwe

AFP, *Harare*

Commuters were stranded in Zimbabwe's two main cities Monday as angry protesters reacting to the weekend more than doubling of fuel prices, burned tyres and used rocks to barricade roads and blocked buses from carrying passengers.

President Emmerson Mnangagwa on Saturday announced a more than 100 percent rise in the price of petrol and diesel in a move to improve supplies as the country struggles with its worst fuel shortages in a decade.

Residents in Epworth, a poor suburb east of the capital Harare, on Monday woke up to find boulders blocking roads leading to the city centre.

"It's tense since early morning," Nhamo Tembo, a resident told AFP. "Roads are blocked with huge stones and there are angry people preventing commuter buses from carrying passengers. People are just stranded," he said.

In the city of Bulawayo, demonstrators attacked minibuses heading to the city centre and used burning tyres and stones to block the main routes into town while some schools were turning away pupils fearing for their safety.

"We want Mnangagwa to know our displeasure in his failure," said an angry Mthandazo Moyo, aged 22.

"Mugabe was evil but he listened," he added, referring to former autocratic and longtime ruler Robert Mugabe who was ousted in November 2017.

After years in international isolation, Zimbabwe's economy has been on a downturn for more than a decade with cash shortages, high unemployment and recently a scarcity of staples such as bread and cooking oil.

In a televised address late Saturday, Mnangagwa said prices of petrol and diesel would more than double to tackle a shortfall caused by increased fuel usage and "rampant" illegal trading.

Petrol prices rose from $1.24 a litre to $3.31 (2.89 euros), with diesel up from $1.36 a litre to $3.11 starting Sunday.

The main labour alliance, the Zimbabwe Congress of Trade Unions (ZCTU) said the government had shown a clear lack of empathy for the already overburdened poor.