

JU, Dream71 team up for Industry 4.0 products

STAR BUSINESS REPORT

A leading Bangladeshi software and app developer joined hands with Jahangirnagar University yesterday to explore technologies like artificial intelligence (AI), big data and the Internet of Things and develop products focusing on the fourth industrial revolution.

Rashad Kabir, managing director of Dream71 Bangladesh, and M Mesbahuddin Sarker, director of the JU's Institute of Information Technology (IIT), signed the agreement on the university campus.

Currently exporting to over nine countries and with offices in Bangladesh and Japan, the company plans availing the expertise and skills of faculty members to grab a bigger share of the international market.

"There is a skill gap in the industry and the memorandum of understanding will help minimise this gap," said Kabir whose company is one of the industry's pioneers in the country.

He said they needed industry-academia collaborations, meaning engineers and developers working with experienced university professors, to grow together as it could be beneficial for both parties.

Having experience working with companies from Japan, South Korea, the Netherlands, the United Arab Emirates, Nigeria, Cameroon and Kenya, Kabir said they were already experiencing the effects of Industry 4.0, which is a name given



Representatives of the Institute of Information Technology of Jahangirnagar University and Dream71 Bangladesh exchange a memorandum of understanding on the university campus yesterday to develop products focusing on the fourth industrial revolution.

to the current trend of automation and data exchange in manufacturing technologies.

Bangladesh needed to start preparing itself right away if it has any interest in grabbing offshore markets that will come to dominate in the coming years, he said.

The IIT teachers said the AI has turned into a buzzword in the tech industry in recent days and over the next five to seven years the world was about to witness disruptive AI and machine learning technology that would change whole ecosystems.

Weak trade data casts doubt on Germany's economic strength

REUTERS, Berlin

German exports and imports both fell more than expected in February, data showed on Monday, in the latest sign that Europe's largest economy is likely to post meagre growth in the first quarter amid increased headwinds from abroad.

German exporters are suffering from a slowing world economy, trade disputes and Brexit angst. Leading economic institutes last week slashed their forecast for 2019 growth and warned a long-term upswing had come to an end.

The Federal Statistics Office said seasonally adjusted exports were down by 1.3 percent on the month, the biggest drop in 12 months, while imports fell 1.6 percent.

The trade surplus edged up to 18.7 billion euros (\$20.99 billion) from a revised 18.6 billion euros the previous month.

A Reuters poll of economists had pointed to a 0.5 percent decrease in exports and a 0.7 percent decline in imports. The trade surplus was expected to narrow to 18.0 billion euros.

"There simply seem to be too many crises in global trade for the German export sector to defy all of them at the same time," Carsten Brzeski from ING said.

He pointed to the trade dispute between the United States and China, growing fears of a no-deal Brexit, a possible cooling of the Chinese economy and problems in other emerging markets.

Data released last week showed German industrial orders fell by the biggest margin in more than two years in February. However, industrial output rose slightly more than expected in the same month as mild weather helped a surge in construction.

Mastercard gets new account management director



STAR BUSINESS DESK

Mastercard has announced the appointment of a new director for account management in Bangladesh who would build new relationships and work on some key priorities.

Rejaul Amin Sohail was previously serving in City Bank in roles such as leading credit card sales, says a press release.

He has a career spanning nearly 21 years in companies including Grameenphone, Banglalink, Qubee, Airtel and Regus.

Pound edges higher at start of Brexit-heavy week

AFP, London

The pound rose on Monday as investors weighed the risks of another Brexit-themed week, with many willing to bet money on another, perhaps long extension to proceedings.

In stock trading, Frankfurt was under pressure from poor German data, but other European equity markets reversed an earlier negative trend, while Wall Street stumbled at the opening bell.

"The pound is edging higher at the start of what could be a decisive week for the currency with Brexit once more at the front and centre of traders' minds," said David Cheetham, an analyst at XTB.

"With the UK government asking for another extension... the most likely outcome seems to be that this will be granted by the other 27 EU members but the chances of a no-deal are creeping higher," he said.

Prime Minister Theresa May will press ahead Monday with her bid for a Brexit "compromise" with the opposition despite a backlash from her own party, as she attempts to prevent Britain crashing out of the European Union this week. Talks with the Labour Party are expected ahead of a crucial EU Wednesday summit that could see Britain leave the bloc as early as Friday, if no further delay is agreed.

Having failed three times to get her own withdrawal deal through parliament, May has been locked in talks with Labour to find a modified plan that could command a majority, causing anger within her own party.

German data showing falling imports and exports in February spoiled the Monday mood in the eurozone and added to concerns about the health of the eurozone's biggest economy which is heavily-trade dependent.

BASIS seeks special card to pay for digital marketing

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Most of these companies are BASIS members and are experiencing uneasiness because of the CID's investigation, prompting the trade body to initiate a move to resolve the tension.

The market size for digital campaign is more than Tk 1,000 crore in Bangladesh.

The BASIS also plans to propose that the National Board of Revenue cut value-added tax on digital campaigns so that small companies can run ads on social media sites, Kabir said.

"We have shared all our plans with the CID and it will give us some feedback within the next couple of days which we will incorporate in our proposals to the Bangladesh Bank," he said.

A senior official of the CID who attended the meeting says the agency's main aim is to ensure government revenue as many companies dodge tax through different processes.

Though the CID has collected documents of about only 10 companies, there are hundreds of companies who dodge tax, he said.

Muhammad Risalat Siddique, chairman of the standing committee of the BASIS on digital marketing, KAM Rashedul Mazid, co-chairman, and Didarul Alam Sunny, a director of the trade body, were also present in the meeting.

Stocks rallied after all elections, not this time

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"So, a huge amount of money is withdrawn by the placement shares within a few months of listing."

On the other hand, placement shareholders' dumping lowers the price of the newly-listed company, he added.

Meanwhile, DSEX closed at 5,372.23 points yesterday after shedding 61.66 points.

However, turnover, another important indicator, increased 26.50 percent to Tk 418 crore, with 8.04 crore shares and mutual fund units changing hands on the DSE.

Of the traded issues, 45 advanced, 273 declined and 28 closed unchanged on the premier bourse.

Chittagong stocks closed low with the bourse's benchmark index, CSCI, declining 112.32 points, or 1.11 percent, to finish the day at 9,978.78.

Losers beat gainers as 180 declined, 42 advanced and 19 finished unchanged on the Chittagong Stock Exchange. The port city bourse traded 53.28 lakh shares and mutual fund units worth Tk 15.24 crore.

Receipts rise 19pc

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The tax authority brought the changes through budgetary measures for the current fiscal year as it finds that in the absence of valuation of properties based on current market prices, many wealthy persons stay out of the surcharge net by showing the transaction value of their assets acquired decades ago.

But those who bought flats in recent years had to pay wealth surcharge because of purchasing the properties at higher prices owing to asset price spike.

Moreover, since zero value is shown in gifted properties, a number of people have remained out of the surcharge net despite having a huge amount of wealth, said

taxmen earlier.

Wealth inequality has increased over the years, said Towfiqul Islam Khan, senior research fellow of the Centre for Policy Dialogue.

"Our estimates suggest that in Bangladesh wealth inequality is much higher than income inequality," he said, adding that wealth surcharge was a good initiative from the government. However, the declining growth does not commensurate with the reality.

"There is an untapped potential for expanding collection of such surcharge."

The government will also need to think about introducing a modern property tax, which can contribute to enhancing revenue mobilisation and

establishing equity in the society, Khan added.

Wealth surcharge is an alternative to property tax, said Apurba Kanti Das, commissioner of Large Taxpayers Unit (LTU), which logged one-fourth the total wealth surcharge in fiscal 2017-18 out of all tax zones under the NBR.

The existing rule is easy and taxpayers can easily calculate surcharge on their wealth.

The introduction of a property tax may create complexity in the calculation and valuation process of properties and increase the hassle of taxpayers.

Collection will increase this year as more areas have been brought under the wealth surcharge net, he added.



Anwar-ul Alam Chowdhury, president of the Bangladesh Chamber of Industries (BCI), addresses a press conference of the newly elected board of directors of the BCI at a Dhaka hotel yesterday.

China's virtual reality arcades aim for real-world success

AFP, Shanghai

Chen Jiuxiao puts on virtual-reality goggles and is immediately transported to a snow-covered ski slope, down which she slaloms without ever leaving Shanghai.

"I felt weightless skiing down the mountain," Chen, 25, gushes after re-emerging in the material world.

"The scenery around me was so authentic," she adds.

Chen, a hospitality worker, said she ventured into one of Shanghai's VR arcades due to word of mouth from her tech-savvy friends.

China had an estimated 3,000 VR arcades in 2016, and the market was forecast to grow 13-fold between then and 2021 to amount to 5.25 billion yuan (\$782 million), according to a joint report by iResearch Consulting Group and Greenlight Insights.

Add in the profits to be made from headsets, equipment, games and other products, and it's little wonder that augmented-reality and virtual-reality industries are excited about China.

"Chinese growth in the next five years could see it dominate AR/VR long-term -- and not by a small margin," Silicon Valley consultancy Digi-Capital said in a report last year. "China has the potential to take more than \$1 of every \$5 spent" in the industry globally by 2022, it added.

One key factor is China's government. Tens of millions of Chinese have become obsessive players of mobile video games, causing concern that China was raising a generation of myopic youngsters addicted to battle games.

Authorities imposed curbs last year on the number of new game releases and playing time for youths, rattling the industry and shaving billions off the market value of big players including gaming giant Tencent.

But the government is pushing hard for China to become a world leader in next-generation technologies including artificial intelligence and autonomous vehicles. VR has been lumped into that favoured

class, benefitting from a slew of preferential policies.

Chen Wei, manager of Shanghai VR arcade Machouse said VR was likely to avoid the fate of mobile video games in China.

He cites the relatively high cost of arcade play -- up to 70 yuan (\$10) or more for a 15-minute game -- and of setting up home systems. "It's hard for minors to get addicted," he said.

The nascent VR games industry suffers

from a shortage of high-quality games, however.

At Shanghai's VR+ Amusement Park, a new game lands only once every three months, officials there said.

Firms such as Tencent remain hesitant to dive in to the arcade scene until the sector reaches critical mass, analysts explained.

But the company, along with fellow Chinese giants Alibaba and Baidu, is investing in virtual online shopping and VR entertainment, all of which could trickle down into gaming.

Already a number of towns and cities in China have declared themselves incubator zones that are integrating VR into research, manufacturing, education and other spheres, luring in capital, according to Chinese reports.

Seekers VR, which is based in the eastern city of Wenzhou and owns a franchised chain of 200 arcades in more than 70 cities across China, is working with the Wenzhou government to establish a college focused on educating students about VR and using the technology in lessons.

"There is no dominant competitor in the VR industry since it is so immature, and we will bring more and more opportunity," said Seekers VR's CEO Belle Chen.

The expected wide-scale adoption in China of ultra-fast 5G networks is expected to further boost VR development, and foster growth in areas such as education and training, said Chen Wei.

He said: "There is no better way to learn skills, and at a lower cost, than VR. Even though VR is still educating users about what it is, it could explode someday."



A woman plays a video game using a virtual-reality headset at an arcade in Shanghai.