Asian lender forecasts strong rebound for the region in 2021

ADB expects inflation in to fall to 2.3% this year

MANILA, April 28, (AP): Developing Asian economies will grow at a solid 7.3% pace this year after contracting slightly in 2020 due to the pandemic, the Asian Development Bank says in its latest regional outlook.

But the regional lender said that forecast is in doubt as outbreaks of coronavirus flare in several countries, including Thailand, India and the Philippines.

Those setbacks threaten just as growth has been gaining momentum, said the ADB's chief economist, Yasuyuki Sawada.

"Economies in the region are on diverging paths," he said. "Their trajectories are shaped by the extent of domestic outbreaks, the pace of their vaccine rollouts, and how much they are benefiting from the global recovery."

China, which first reported the virus and has been the first major economy to bounce back from the pandemic, is forecast to grow 8.1% this year, slowing to 5.5% in 2022, said the ADB report, released Wednesday.

It estimates that India's economy will expand at an 11% pace in 2021, in line with similar forecasts from the International Monetary Fund and private economists.

Surging new cases in India – at more than

In this file photo, shoppers visit a retail district in Beijing. (AP)

300,000 per day for the past five days – may derail that progress as hospitals are inundated with seriously ill patients, it noted.

So far, the overall impact of this spike in cases is unclear.

"Real-time data on traffic, electricity demand and mobility suggest that, so far at least, India's virus outbreak has had more of an impact on behavior than it has on activity," Shilan Shah of Capital Economics said in a separate report.

So far, the Indian government has resisted taking the sort of drastic lockdown measures it ordered in March 2020 when millions of workers were stranded in cities, unable to work or return to their villages.

"The big unknown is whether these restrictions will be sufficient to curb the outbreak. If not and it continues, more draconian measures may still be needed," Shah said.

The ADB forecast that Myanmar's economy will contract nearly 10% this year following a military coup that has thrust the country into turmoil. The economy grew at a modest 3.3% level in 2020, before the military seized power on Feb 1, provoking a mass civil disobedience campaign that has stifled most business activity.

The ADB economists did not foresee a significant increase in inflation, despite concerns in the US and elsewhere that massive government spending and other stimulus might spark surging prices.

The ADB expects inflation in the region to fall to 2.3% this year from 2.8% in 2020, when disruptions from the pandemic pushed food prices sharply higher in some places. The inflation rate for developing Asia is forecast to rise to 2.7% in 2022.

Apart from the cost of lost lives and misery, damage to health and productivity, the pandemic has extracted a harsh toll in many ways, wiping out millions of jobs, sinking families into poverty. It also has put children far behind in their studies, the report said.

The authors estimated that the cost to future earnings from school closures amounts to $1.25 trillion, or more than 5% of regional economic activity in 2020.

Toyota Motor acquires Lyft's self-driving unit for $550 mln

TOKYO, April 28, (AP): Toyota Motor Corp. has acquired the self-driving division of American ride-hailing company Lyft for $550 million, in a move that highlights the Japanese automaker's ambitions in that technology.

The acquisition, announced Tuesday, was carried out by Woven Planet Holdings, a Toyota subsidiary that began business in January and focuses on innovations and investment in projects such as "smart cities," robotics and automated driving.

Of the payment, $200 million will be paid upfront, and $350 million over a five-year period, according to Toyota.

The Woven Planet project will bring together engineers and researchers in mobility services, software and sensor assets and automated driving systems to further develop the technology, according to Toyota.

"This deal will be key in weaving together the people, resources, and infrastructure that will help us to transform the world we live in through mobility technologies that can bring about a happier, safer future for us all," said Woven Planet Chief Executive James Kuffner.

Woven Planet and Lyft also signed commercial agreements to use the Lyft system and fleet data to speed up commercialization of the technology.

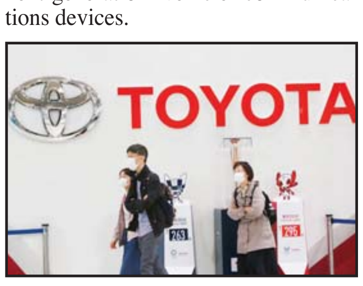
Toyota also said the deal will mean Woven Planet will have Tokyo, Palo Alto, California, and London as locations.

A centerpiece of Woven Planet is the Woven City, which held a ground-breaking ceremony in Japan recently, to build a community showcasing intelligent homes, autonomous vehicles and other mobility products for Toyota's workers and other people.

"Woven Planet is driving towards its mission to combine the innovative culture of Silicon Valley with world-renowned Japanese craftsmanship to create the mobility solutions of the future," said George Kellerman, who oversees investments at Woven Planet.

All the world's top automakers are working on technology to make vehicles smarter, cleaner and more connected. Lyft, founded in 2012, offers a ride-sharing and rental network.

Also Tuesday, Toyota announced it will work with Japanese automakers Suzuki Motor Corp., which makes small cars, Subaru Corp., Daihatsu Motor Co. and Mazda Motor Corp. on next-generation vehicle communications devices.



In this file photo, visitors walk at a Toyota showroom in Tokyo. (AP)

Microsoft Q1 profits soar

NEW YORK, April 28, (AP): Microsoft's profits soared during the first three months of 2021, thanks to ongoing demand for its software and cloud computing services during the pandemic.

The company on Tuesday reported fiscal third-quarter profit of $14.8 billion, up 38% from the same period last year.

"Over a year into the pandemic, digital adoption curves aren't slowing down. They're accelerating, and it's just the beginning," CEO Satya Nadella said in a statement.

Net income of $1.95 per share beat Wall Street expectations. Analysts were expecting Microsoft to earn $1.78 per share on revenue of $41 billion for the fiscal quarter ending in March, according to FactSet. The software maker based in Redmond, Washington, posted revenue of $41.7 billion in the January-March period, up 19% from last year.

Revenue from Microsoft's productivity segment, which includes its Office suite of workplace products such as email, grew by 15% over the same time last year, to $13.6 billion. Its cloud computing business segment grew 23% to $15.1 billion.

Microsoft's personal computing business segment grew by 19% to $13 billion, buoyed by last year's release of a new Xbox gaming console and an unusually strong season for PC sales across the industry. Microsoft gets licensing revenue for computers made by other manufacturers running its Windows operating system.

The first quarter of 2021 was a gold mine for the sale of personal computers in part due to unfulfilled demand because of a components backlog, according to separate reports from Gartner and IDC. The sharp rise across the industry was also due to an unusually weak first quarter of 2020, when the coronavirus outbreak began disrupting supply chains in Asia.

Pent-up demand for supply-constrained consoles during the holiday season also contributed to the 34% rise in sales of Xbox content and services in early 2021 from the same time last year.

But it's the cloud growth that has been Microsoft's focus as the company tries to tap into a pandemic-caused shift in big businesses, governments and other organizations doing more of their essential work online.

"Microsoft came through the pandemic with relatively little damage," said Forrester research analyst Andrew Bartels.

Nadella has steered the company through a series of ambitious acquisitions while rivals like Amazon and Google have faced more antitrust uncertainty as regulators scrutinize their market power.

KIB infuses distinctive community initiatives into its 2021 Ramadan campaign

As part of its active social commitment to play an active role within the local community beyond the scope of its financial services and solutions, Kuwait International Bank (KIB) announced the launch of its Ramadan campaign for this year. The campaign is set to kick off at the beginning of the Holy Month under the Bank's leading social responsibility program, featuring a variety of recreational, religious, social and sports initiatives and activities.

On this occasion, Nawaf Najia, Executive Manager of the Corporate Communications Unit at KIB, congratulated all members of the Board of Directors, Executive Management, shareholders and employees of the Bank, as well as KIB's valued customers and members of Kuwait's society on the advent of the holy month of Ramadan. "Every year, KIB looks forward to launching its Ramadan campaign to complement its track record of impactful community initiatives, which reflects its unyielding commitment to continue to give back to the community. Additionally, KIB's campaigns epitomize its strategic vision and leading role as an active community member with a solid commitment to having a positive impact on various segments of Kuwait's society, especially at this time of year; the holy month of Ramadan is a time of deep reflection and generosity for all the society – it brings members of the society together to spread love and encourage acts of benevolence."

Najia pointed out that this year, KIB is introducing a first-of-its-

Nawaf Najia

kind marketing project that aims to spread banking awareness and knowledge in an entertaining way, especially given the continuing curfew and lockdowns which has kept people homebound. Developed in collaboration with a renowned international animation studio, "KIB Family" is an informative animated series that will be released during Ramadan across the Bank's social media platforms. "KIB Family" is the first complete show to be developed by a financial institution that depicts real life events and offers valuable and engaging insights to the Kuwaiti audience.

In celebration of the holy month, KIB is also launching the "KIB Family Competition" where the audience will have to answer questions about each of the episodes to win a cash prize, in addition to Ghatawi KIB – a social media competition on KIBPage with valuable cash prizes for each winner.

Najia added: "In addition to communicating effectively with the public through its social media channels, KIB continues to play a leading role in promoting religious awareness, by creating and sharing content that comprises information and advice, in addition to posting episodes that highlight useful religious, moral and Islamic topics in collaboration with Sheikh Talal Al Fakher. Moreover, our Ramadan campaign is packed with content that feature a range of exercising videos and work out tips by Trainer Fahad Al Jarallah, in order to help maintain a healthy routine during Ramadan, especially amidst pandemic-related restrictions and home quarantine."

Concluding his statement, Najia pointed out that this year, KIB's Ramadan campaign comprises several charitable and humanitarian initiatives aimed at supporting underprivileged families, he added: "The initiatives will promote notions of social solidarity and philanthropic values, which Kuwait has always been known for, including launching its annual "Al Machla" initiative aimed at providing essential food supplies to underprivileged families in Kuwait in collaboration with the Kuwait Red Crescent Society (KRCS). Additionally, KIB is launching its annual Iftar Sa'em initiative and will distribute daily Iftar meals with the help of a dedicated team of volunteers from the Bank as well as dozens of other volunteers throughout the holy month. In addition, the Bank is set to conclude its Ramadan campaign with "Kiswat El Eid" initiative by distributing purchase vouchers for Eid clothing to the poor and needy, with the aim of spreading and sharing the joy of Eid."

UPS stock hits 'all-time' high

NEW YORK, April 28, (AP): Small businesses in the US fueled demand for delivery, helping UPS post better-than-expected earnings and revenue for the first quarter of the year.

That sent the company's stock to an all-time high Tuesday morning.

UPS is one of the few companies that benefited from the pandemic as demand for delivery rose as more people stayed home and shopped online. But even with more people getting vaccinated and heading out, the company said it expects delivery demand to continue this year as more businesses open up and need to ship goods. Plus, consumers have more money in their pocket to spend from government stimulus checks. UPS said daily volume jumped more than 14% in the first three months of the year from the same period a year ago.

The Atlanta company reported net income of $4.79 billion, up nearly 400% from the same period last year. But much of those gains came from a $2.5 billion pension benefit related to the American Rescue Plan Act of 2021, which gives big employers protection against insolvency of their pension plans. That reduced the company's pension liability by $6.4 billion.

Adjusted earnings, which excludes one-time gains or losses, came to $2.77 per share, far exceeding Wall Street projections of $1.67, according to Zacks Investment Research.

Total revenue soared 27% to $22.91 billion, also beating expectations.

UPS has also been delivering COVID-19 vaccines around the world, many of which need to be kept in deep freezers.