



**NEWS HIGHLIGHTS**

Govt's BHIM app bets on merchants and bill payments to expand presence

How developments in 2018 will influence banking, Fintech services

2019 looks to continue another lights-out year for fintech startups

NexTech AR Solutions integrates Watson machine learning for e-commerce

**Today's View**

**Social 'pet'-working**

Opening one's home to a pet can be a formative experience for parents and children alike. Besides being adorable, pets give back to humans in many ways, and the internet is awash with scientific studies of pets using their power of being cute to physically and emotionally heal. There is even an urban legend that 15 per cent of all Internet traffic is cat-related!

In order to provide a platform for such pet lovers and their pets to mingle with other pets and pet lovers in the digital universe, multiple pet-dedicated social networking platforms have been developed. As per **Telegraph**, the pet-dominated social networking trend is so popular that one in ten of all UK-based pets has their own Facebook page, Twitter account or YouTube channel. While another study by **BarkBox** suggests that the average dog person posts about their dog on social media six times a week. They also browse dog videos and images about three times a week.

One of the most popular pet-based social networks on the web is **Dogster** and its sister-company **Catster**. These are Facebook-like platforms for pet-dogs and cats to share pictures of pets, find advice on pet care, and even find out what type of breed the pet is.

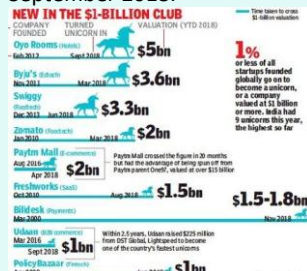
Another social media platform **Petzbe** resembles an Instagram solely for furry friends. It boasts a description of 'No humans allowed' and has developed a platform with thousands of furry-tailed, four-pawed users. Instead of

**Akhil Handa**  
+91 22 6759 2873  
akhilhanda@bankofbaroda.com

**Manish Kulkarni**  
+91 22 6759 2885  
manish.kulkarni@bankofbaroda.com

**Why 2018 was the best year to spot a unicorn**

In folklore, unicorns are near impossible to glimpse. But in India, there was no better year than 2018 to spot one, with an unprecedented nine companies crossing a valuation of \$1 billion by the end of September 2018.



Source – The Economic Times

[READ MORE](#)

Date – 1<sup>st</sup> Jan 19

'following' pages and 'liking' posts, encouragement is offered in 'sniffs' and 'licks.' Its app has been donating \$1 for every pic upload to animal rescue centres, resulting in a total donation of \$1,000 to the **American Society for the Prevention of Cruelty to Animals (ASPCA)**.

Similarly, **ShelterMe** platform helps shelter animals get adopted and find a loving home. Users or animal care facilities can create profiles of shelter pets with photos, videos and detailed descriptions. Since inception, Shelter Me has hosted more than 10,000 shelter pet profiles with a success rate of 85% of those adopted or moved into an animal rescue location.

On the other hand, **DOGGYBNB**, which is Airbnb-style pet platform works as a social network for pet care, allowing people to get a bit of help once in a while from trusted friends that can care for their pets. Users send out a WOOF to their network, detailing their request for assistance and even provide a reward for those who answer the call.

Looking at growing awareness about pets and animal care in general, we believe that social 'pet'-working platforms will be increasingly leveraged among the animal-lovers to share tips, advocate for animals, find a home for a pet in need and even make new friends – both human and animal.

---

## Today's News

### How developments in 2018 will influence banking, Fintech services

The year 2018 was challenging for the banking sector as the asset quality continued to deteriorate. There were a host of changes in the retail banking and Fintech spaces from the Supreme Court's restrictions on the use of Aadhaar for e-KYC to the exit of high profile execs from leading private banks plagued with governance and performance issues to the RBI ban on crypto-currency.

Among other major events in the space was the central government proposal to merge three public sector banks and the Reserve Bank of India (RBI) benchmarking all retail loans, including those given to small enterprises, to an external rate.

Source – Money Control

[READ MORE](#)

### 2019 looks to continue another lights-out year for Fintech startups

This time last year, the crypto bull market stole the spotlight. In the midst of bitcoin's wild run, we announced the Matrix FinTech Index in recognition of the top 10 publicly traded U.S. Fintechs quietly surpassing \$100 billion in total market capitalization. We predicted that in 2018, the fintechs would prove to be the more relevant disruptors and their equity value would continue to outpace the incumbents. As we look back, this prediction proved to be true. The market cap of the Matrix FinTech Index grew 50% points in 2018, far outpacing the incumbent financial service giants and the S&P 500.

Source – Tech Crunch

[READ MORE](#)

This News Letter has been prepared with the assistance of G Balakrishna and Manish Kulkarni

### Govt's BHIM app bets on merchants and bill payments to expand presence

BHIM, the digital payments platform promoted by the government, is betting on merchant and utility bill payments to expand its acceptance across the country. While it had started on the UPI journey early, with a push from PM Narendra Modi, it has consistently been losing market share to private peers such as Paytm, PhonePe and Google Pay.

Source – The Economic Times

[READ MORE](#)

### Hike Messenger looking to raise more funds in 2019

Home-bred app Hike, which counts SoftBank, Tencent and Foxconn as investors, would be looking to raise more funds in 2019 and will start experimenting with monetization models from 2020 while it refocuses on messaging and stickers and strips out other services such as payments.

Source – The Economic Times

[READ MORE](#)

### Amazon to expand Whole Foods stores: Report

Amazon is planning to expand its Whole Foods Market portfolio by adding more stores to put more customers within its two-hour delivery service range, the Wall Street Journal reported yesterday. The world's largest online retailer plans to expand its two-hour delivery service, Prime Now, to nearly all of its roughly 475 Whole Foods stores in the US, the Journal said, citing another source.

Source – The Economic Times

[READ MORE](#)

## NexTech AR Solutions integrates Watson machine learning for e-commerce

NexTech AR Solutions is integrating IBM Watson's machine learning algorithms into its patent pending web enabled augmented reality platform as it builds an artificial intelligence-based AR e-Commerce solution. With AI, the platform will now be able to offer scanning of the body, hands and feet as well as facial features, to understand an individual shopper's style, sizes and preferences, as well as creating AR holograms acting as personal shopping assistants, according to a press release. The AR e-Commerce platform is expected to exit beta and have a commercial launch in January 2019, with AI features beginning to roll out in February 2019.

NexTech's web enabled AR e-Commerce solution works on every browser, including but not limited to Chrome, Firefox and Safari, and on every device including desktops, laptops, iPads and mobile phones. With a web enabled AR solution, NexTech has eliminated the need to download an app, which has been the biggest friction point of AR adoption.

Source – Retail Customer Experience

[READ MORE](#)

## RBI allows Paytm Bank to restart account opening

Paytm Payments Bank has received the green light from the Reserve Bank of India to restart opening accounts for its customers. The bank intends to start Know Your Customer formalities for its wallets as well as its bank accounts from Dec 31, confirmed a company spokesperson.

The RBI had asked the bank to stop adding new customers about six months back in June, when a regulatory audit found lapses on the part of the entity to stick to RBI's requirements. Post the audit, Paytm Payments Bank had removed Renu Satti from the chief executive's role and roped in veteran banker and ex-NPCI senior executive Satish Gupta for the corner office at the Noida-based bank.

Source – The Economic Times

[READ MORE](#)

## Big data - Next year will see a big shift in big tech

Countless numbers of retail outlets and offices today sport an electronic box with a patch that glows deep green. Employees mark their attendance by pressing a finger on that unfaltering green eye. An increasing number of smartphones offer 'face unlock' as a standard feature: the phone has software that can be trained to recognise the owner's face and unlock the phone on seeing the face. Less fancy ones recognise fingerprints.

Banks and credit card companies let you authenticate yourself using your voice when you call their helpline. Some airports are gearing up to do away with boarding passes, letting facial recognition software do the job for you — it is standard practice at some Chinese terminals. Police routinely identify culprits from the footage of surveillance cameras that record and store whatever transpires under their watch.

Source – The Economic Times

[READ MORE](#)

## Red tape grounds P2P startups as investors stay clear of space

The latest entrants into the digital lending sector, peer-to-peer lending platforms, are facing an uphill task attracting investors with regulatory restrictions limiting their growth potential. While multiple P2P lending startups which have recently got licensed by the central bank have shown promising growth, industry insiders say that they are not being able to expand business quickly because of capital constraints.

Source – The Economic Times

[READ MORE](#)

## China ends freeze on video-game licensing, approves 80 new titles

China has approved 80 new video game titles in the first batch of licenses granted by the media regulator after the end of a nine-month freeze. The initial games were mostly local, mobile titles and didn't include any from industry giants Tencent Holdings Ltd. or Netease Inc.

Source – Business Standard

[READ MORE](#)

## Much shopping happened — on portals, of entities

From the Walmart-Flipkart deal in May to the multi-million-dollar investments and record-breaking festival sales, 2018 was a good year for e-commerce players. Walmart's \$16-billion acquisition of a 77 per cent stake in Flipkart — the regulatory hiccups and traders bodies' vociferous objections notwithstanding — pushed the sector several notches higher.

Source – BusinessLine

[READ MORE](#)

**Disclaimer:** The views expressed in this newsletter are personal views of the author and do not necessarily reflect the views of Bank of Baroda. Nothing contained in this publication shall constitute or be deemed to constitute an offer to sell/ purchase or as an invitation or solicitation to do so for any securities of any entity. Bank of Baroda and/ or its Affiliates and its subsidiaries make no representation as to the accuracy; completeness or reliability of any information contained herein or otherwise provided and hereby disclaim any liability with regard to the same. Bank of Baroda Group or its officers, employees, personnel, directors may be associated in a commercial or personal capacity or may have a commercial interest including as proprietary traders in or with the securities and/ or companies or issues or matters as contained in this publication and such commercial capacity or interest whether or not differing with or conflicting with this publication, shall not make or render Bank of Baroda Group liable in any manner whatsoever & Bank of Baroda Group or any of its officers, employees, personnel, directors shall not be liable for any loss, damage, liability whatsoever for any direct or indirect loss arising from the use or access of any information that may be displayed in this publication from time to time.