

WEEKLY ONLINE MEDIA DIGEST

#8 10.05.2015 — 17.05.2015

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ONLINE AND MOBILE FINANCIAL SERVICES



PayPal revealed today that it has loaned \$500 million to small businesses since its launch of Working Capital a year and a half ago. The company says that it issues \$2 million a day in loans just within the U.S. The loan service also operates in the U.K. and Australia.

<http://fintechranking.com/2015/05/11/paypal-says-its-loaned-500m-to-small-businesses-in-the-past-18-months/>

Small business loans are a hot area of development. Square, another tool for accepting payments and running operations, has a similar service called Square Capital, which offers businesses a cash advance on future sales. The company has advanced just \$100 million in cash to its merchants, according to CEO Jack Dorsey in a recent interview with BuzzFeed's Mat Honan.

<http://www.buzzfeed.com/mathonan/squares-jack-dorsey-puts-it-all-together#.ieVxwNVJWn>

But a larger bulk of small business loans are happening through peer-to-peer lending platforms like Lending Club, which served up \$1.63 billion in loans just last quarter.

<https://goo.gl/GhYKFu>

It's under precisely this explosive speed of change that over 40 funds, banks and public institutions gathered in Singapore last week for talks on Asia's fintech space, hosted by new Russian VC in town Life.SREDA.

<http://fintechranking.com/2015/05/11/asias-states-vcs-banks-and-startups-must-build-fin-tech-together/>

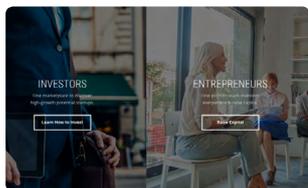


The 16 million Starbucks customers who use the company's mobile payment service may want to strengthen their log-in credentials and reconsider using the auto-load feature. Independent journalist and best-selling author Bob Sullivan reported on Monday that hackers recently stole money from several Starbucks customers by gaining access to their credit card information through the Starbucks app and using the auto-load function.

<http://fintechranking.com/2015/05/11/hackers-steal-money-from-starbucks-mobile-customers-using-linked-credit-cards/>

The cyber breaches and system hacks affecting Target, Home Depot, Neiman Marcus and other large retailers over the past two years have resulted in billions of dollars of credit card fraud. This growing epidemic has led to increased calls for a more robust credit card security system.

<http://techcrunch.com/2015/05/12/europay-mastercard-visa-a-primer/>



FlashFunders, an equity crowdfunding platform, is announcing a new program that automates the process for entrepreneurs, making it entirely free to raise or invest in a seed round. Most crowdfunding platforms like AngelList and FundersClub are used for a small portion of the round, facilitated online, and usually allow for much smaller checks to go into an SPV. With FlashFunders, the company offers that same functionality alongside the ability to send the FlashFunders listing to a VC firm like A16Z or Union Square Ventures to participate or even lead the round with a larger (>\$25K) check, meaning the entire round is facilitated online. And beyond that, FlashFunders automates everything that a securities law firm like Cooley LLP would normally handle through integrations with Lexis Nexus, DocuSign, IRS, and the SEC Edgar Portal. Going through a securities law firm for an early-stage investment can cost a company between \$10K and \$30K, according to FlashFunders founders Vincent Bradley and Brian Park, and some will spend up to \$80K on the process.

<http://fintechranking.com/2015/05/11/equity-crowdfunding-platform-flashfunders-is-automating-securities-law-for-seed-stage-rounds/>



NerdWallet, the six-year-old company launched with \$800 by company co-founder and chief executive, Tim Chen, has raised \$64 million in its first round of outside financing. Last year, 30 million people used NerdWallet to get financial advice on a range of subjects. The company offers comparison shopping tools on financial products including: healthcare; mortgages; life insurance; banking; credit cards; financial services and wealth management; small business tools, and college loans. Sources with knowledge of the company's plans had put the round at \$60 million. NerdWallet also raised an additional \$36 million through a revolving loan facility with Silicon Valley Bank.

<http://fintechranking.com/2015/05/11/scorching-fintech-market-keeps-attracting-new-players-as-nerdwallet-raises-64-million/>

Personal finance management company Credit Sesame is announcing today that it has raised an additional \$16 million in an oversubscribed Series D round of funding, with plans to raise more — as much as \$20 million — in the near future. The company was one of the first to market with solutions that allow consumers to monitor their credit and score, protect themselves against identity theft, and reduce their debt through credit and loan management services. The new round was led by Syncora Alternative Investments, with IA Capital Partners as its advisor, and also included participation from investors Menlo Ventures, IA Capital, Globespan Capital, Inventus Capital, and other high-profile angels. This brings Credit Sesame's total raise to date to over \$35 million.

<http://fintechranking.com/2015/05/12/credit-monitoring-and-debt-management-service-credit-sesame-raises-16-million/>



WeWork, the NYC tech darling valued at \$5 billion, has today officially announced a partnership with Chase to offer WeWork members discounted rates and premium customer service with Chase Payments services (called Paymentech). Chase Paymentech currently powers payment platforms such as Square, and Apple Pay. The first is that WeWork is not negotiating on behalf of its ~300 corporate employees, but rather on behalf of 25,000 members. «What's exciting to corporate America is that any one of our WeWork members could represent the next Google or Facebook».

<http://fintechranking.com/2015/05/12/wework-partners-with-chase-to-offer-discounted-commerce-services-to-members/>



Barclays Bank is launching a £100 million fund to provide debt-financing to help fast-growing UK tech startups. Unlike their US counterparts, access to debt finance — which can provide an attractive alternative to giving up equity — has not been widely available to UK tech companies. Barclays says it will provide up to £5 million, repayable over three years, to firms that have won VC backing.

<http://fintechranking.com/2015/05/01/barclays-launches-100-million-fund-for-fast-growing-tech-firms/>

Fintech Unicorn List: 36 Companies + 34 More Closing In.

<http://goo.gl/Tjy9QH>



The fintech revolution: a wave of startups is changing finance—for the better. The magical combination of geeks in T-shirts and venture capital that has disrupted other industries has put financial services in its sights. From payments to wealth management, from peer-to-peer lending to crowdfunding, a new generation of startups is taking aim at the heart of the industry—and a pot of revenues that Goldman Sachs estimates is worth \$4.7 trillion. Like other disrupters from Silicon Valley, «fintech» firms are growing fast.

<http://fintechranking.com/2015/05/09/the-fintech-revolution/>

Brett King's Moven 4.0 (one of Life.SREDA's portfolio companies) wins Best in Show at Finovate.

<http://fintechranking.com/2015/05/14/brett-kings-moven-4-0-wins-best-in-show-at-finovate/>

Forbes: Moven, which pioneered a smart phone banking app that helps users track their money and improve their savings, is expanding internationally with bank alliances and a partnership with Accenture. (A U.S. Moven account consists of a MasterCard debit card and an account at CBW Bank, a technologically aggressive bank based in Weir, Kansas. Moven has a licensing agreement with Westpac in New Zealand and has partnered with TD — Toronto-Dominion Bank — in Toronto).

<http://www.forbes.com/sites/tomgroenfeldt/2015/05/13/moven-takes-its-mobile-banking-global-with-accenture/>

At a time when most traditional banks in the U.S. are falling behind consumer expectations with respect to providing basic mobile banking services, Moven continues to blaze a trail of innovation that disrupts conventional banking paradigms. New Moven app encourages savings, eliminates product silos.

<http://goo.gl/E0BpQy>



In the last few years we witnessed the merge of digital-only bank like Moven, Simple, GoBank and Fidor Bank, creating a frictionless digital experience. One of the keys to success of digital banks — technical openness by API. According to Matthias Kroener, Founder and CEO of Fidor Bank, if you want to be as useful as possible and deliver a valuable service, you cannot rely only on a handful of your proprietary services.

<http://fintechranking.com/2015/04/21/the-future-of-the-digital-only-bank/>

Read in Russian: <http://rebanking.ru/fidor-bank-blizitsya-era-nastraivaemogo-potrebitelskogo-opyita-i-bankovskih-api/>

When LearnVest, one of the hottest startups in fintech, announced its acquisition by Northwestern Mutual, the \$250 million deal raised some eyebrows. While this partnership may seem unlikely at first, it actually makes a lot of sense for both parties. LearnVest launched in 2009 as a financial planning service for women. It has since expanded as a platform that connects both women and men with human financial

advisers, amassing 1.5 million users and tens of thousands of paid subscribers. The startup raised \$75 million in venture capital, with Northwestern Mutual investing in its most recent round. LearnVest is a prime example of the boom going on right now in the financial technology services space.

<http://techcrunch.com/2015/05/14/what-startups-can-learn-from-learnvests-250-million-acquisition/>

Denmark's government is planning to help usher in the long-awaited cashless society by giving restaurants, gas stations and some shops the option to refuse notes and coins.

<http://fintechranking.com/2015/05/07/danish-shops-to-be-given-right-to-refuse-cash/>



SIX, UBS and Zürcher Kantonalbank are to launch a new P2P payment app that enables users to request and make payment transfers by smartphone across Switzerland. The only thing needed to use the app is a Swiss mobile phone number and, a bank account and/or a credit or prepaid card.

<http://www.finextra.com/news/fullstory.aspx?newsitemid=27285>

MasterCard targets startup vibe with relaxed dress code. With Silicon Valley threatening to eat its lunch, MasterCard is hoping to bring a little startup cool to its headquarters. It's not just the clothing that is getting more relaxed, the company has also built a games room packed with Xboxs, basketball hoops and ping pong tables.

<http://www.finextra.com/news/fullstory.aspx?newsitemid=27313>



In 2015 Barclays launches a new generation of its contactless wristbands. The previous generation bands released last year enable users to make low-value payments through the tap of a wrist at over 300,000 spots in the UK, including in shops, bars and on London's public transport system. Up to 10,000 customers are understood to have signed up for the technology.

<http://www.finextra.com/news/fullstory.aspx?newsitemid=27324>

The first fintech accelerator in Switzerland is now accepting applications from startups from around the world to participate in its program. Fusion Accelerator was established in Geneva in February this year by Polytech Ventures on the basis of Ecole Polytechnique Federale de Lausanne.

<http://www.fintechfusion.ch/>

Read in Russian: <http://futurebanking.ru/post/2832>



Payments company PayPal is inching closer to spinning off from its marketplace parent eBay. Today its designated CEO, Dan Schulman, announced that it plans to list on Nasdaq and use PYPL as its ticker — the original ticker it used before eBay acquired it in 2002. The company plans to spin off eBay in the second half of this year. To date, some 18 billion transactions and over \$1 trillion in payments have passed through its platform, and it now has 165 million consumers in 200 countries.

<http://fintechranking.com/2015/05/14/paypal-to-list-on-nasdaq-under-pypl-ticker-after-ebay-spinoff/>

Vouch, a so-called «social network for credit» founded by ex-PayPal and ex-Prosper alumni, now has an additional \$6 million in Series A funding to continue to grow its business. While there are a number of alternative lending startups on the market today, Vouch's differentiating factor is that it leverages a person's social connections in order to determine their credit-worthiness. In addition, these connections can choose to «vouch» for a loan recipient — even agreeing to pay back a portion of the debt if the borrower defaults.

<http://fintechranking.com/2015/05/18/vouch-raises-6-million-series-a-for-its-social-network-for-credit/>

People in Germany can crowdfund their bright ideas using Kickstarter. If it comes as a surprise that they haven't been able to do so for a long time, that's understandable. Germany, after all, is the fourth biggest economy in the world. It has the largest population in the European Union. Entering Germany at its own pace is entirely consistent with Kickstarter's way of doing things, which tends to be measured and thoughtful. In its six years of existence, the company has only rolled out in 10 countries. Germany is number 11; France, which goes live on May 27, will make it a dozen.

<http://fintechranking.com/2015/05/12/how-kickstarter-is-priming-itself-for-success-in-germany-its-biggest-international-expansion-yet/>



INSPIRASIA

With a «strategic co-operation partnership» in place, China has stood by Sri Lanka when its human-rights record has come under question. And when the former president needed help constructing the port and airport he built in his hometown of Hambantota, it was China he turned to. Beijing sees Sri Lanka as crucial to the development of its Maritime Silk Road, with the island's south coast lying a few miles from the shipping lanes that could connect China with India and oil-producer Iran. Air China's new Chengdu-Colombo service, which runs four times a week, was no doubt developed to capitalise on the close relationship between the two nations. And having had a consulate in Chengdu since 2009, Sri Lanka is already committed to the Sichuan capital.

<http://fintechranking.com/2015/04/30/new-horizons-beijing/>

Uber is synonymous with its cashless payment experience, but that's about to change. At least in India, initially. That's because the ride-hailing giant has kicked off a pilot program testing cash payments in one city in the South Asian country: Hyderabad. There, Uber customers will be able to pay their fare in cash, using a new option that must be selected before requesting a ride. Uber has hinted in the past that it would be flexible on payments in emerging markets — it added cash payments for auto rickshaw rides in New Delhi in April — and now it is fully kicking the tires with this pilot.

<http://fintechranking.com/2015/05/11/uber-is-testing-cash-payments-in-india/>



The Filipino government is working on a new category of regulations specifically tailored for ridesharing apps like Uber. According to an announcement on the Department of Transportation and Communications, the rules will be introduced later this week and include guidelines on vehicle safety and driver screening. The new regulatory framework will benefit Uber and local rivals like Tripid, which ran into trouble with Filipino law last year because they did not first secure a franchise or the permit that companies need to operate public utility vehicles. Other competitors like GrabTaxi and Easy Taxi sidestepped the issue by partnering with existing taxi fleets that already have franchises.

<http://techcrunch.com/2015/05/11/dotc-ridesharing/>



SoftBank, the Japanese telecom giant that is also one of Asia's most prolific startup investors, has named Google's former chief business officer, Nikesh Arora, as its new president and potential future chief executive officer. Arora joined the company as vice chairman of SoftBank Corp. and CEO of SoftBank Internet and Media (now called SB Group US) in September 2014.

<http://fintechranking.com/2015/05/12/softbanks-new-president-is-former-google-head-of-business-nikesh-arora/>

LAST WEEK, THE head of Singapore's DBS Group, Piyush Gupta, sounded the alarm over shifts in the banking model that could push many banks out of business in a

relatively short period. He spoke of the «cataclysmic disruption» facing the industry over the next five years and suggested that banks unable to adjust to this disruption over the next decade would «die», adding that perhaps a decade was being a little too generous on the timeline front.

<http://fintechranking.com/2015/05/08/disruption-looms-for-asian-banks/>

Rob Findlay sat down with e27 to share his thoughts on the fin-tech ecosystem in Asia and where it is all going from Singapore.

<http://fintechranking.com/2015/05/14/asia-fintech-cant-wait-we-need-yo-hurry-next-bank-founder/>

Startupbootcamp Fintech Singapore, part of a global accelerator network whose Singapore branch specialises in financial technology, has established strategic partnerships with PwC Singapore, Pix Vine Capital and Jungle Ventures. Steven Tong, formerly an assistant director at Infocomm Investments, has also been brought on board as the managing director of Startupbootcamp Fintech Singapore.

<http://www.dealstreetasia.com/stories/startupbootcamp-forms-strategic-partnerships-hires-singapore-md-6428/>



Citrus Pay is a leading online checkout and payment solutions company in India. Headquartered in Mumbai, Citrus is backed by Sequoia Capital and Beenos Asia, a subsidiary of Japanese e-commerce and incubation company Netprice. As per a recent news report, PayPal Founder Pieter Thiel is rumoured to be planning to infuse US\$25 million into the company as the fin-tech space is getting hot.

<http://fintechranking.com/2015/05/13/good-to-see-more-focus-on-tech-than-fin-in-fintech-citrus-founder/>

Accenture and a group of 10 leading financial institutions today opened the application period for the FinTech Innovation Lab Asia-Pacific, kicking off a competitive search for the top financial technology (fintech) innovators in the region. The 12-week program helps early-stage financial technology innovators accelerate product development and gain exposure to top-level financial industry executives. Entrepreneurs developing potentially game-changing technologies for financial services — particularly in the areas of alternative currencies, Big Data and analytics, mobile and wireless payments, risk management and compliance, as well as social media and collaboration technologies — are invited to apply.

<http://fintechranking.com/2015/04/30/accenture-and-fis-kick-off-apac-innovation-lab-programme/>



South Korea's central bank has revealed plans to develop standards for biometric identification that is used to authenticate digital transactions. The technical standards will be developed before the end of H1 2015, and then test such services in H2 with domestic commercial banks.

<http://fintechranking.com/2015/05/04/south-koreas-central-bank-to-develop-biometric-payment-standards/>



The Philippines' Department of Transportation and Communications today enacts an order to create the new category of transport for services like Uber. The republic will become the first country to introduce such regulations. The category will be called «Transportation Network Companies (TNCs). That once again shows that Asia is more open to innovation than Europe. For example, April 17, 2015 the Dutch authorities initiated a criminal case against Uber and fined more than 20 drivers. Earlier, on March 18, thirty armed policemen raided Uber's Paris office

<http://fintechranking.com/2015/05/11/philippines-becomes-first-country-to-create-rules-for-ridesharing-services-such-as-uber/>

<http://www.wired.com/2015/05/uber-philippines/>

Read in Russian: <http://siliconrus.com/2015/05/philippines-uberlaw/>



The bulk of Alibaba's revenue still comes from China, but the e-commerce giant will focus aggressively on growing its global business this year. Daniel Zhang, who took over as chief executive officer last week, told employees in a recent speech that not only will Alibaba pour money into its global businesses, but also transform its company culture. «We need to have global talent».

<http://fintechranking.com/2015/05/13/alibaba-needs-to-globalize-says-its-new-ceo/>

Campaign Asia-Pacific published an interview with SY Lau, senior EVP of Tencent, who will be awarded the Media Person of the Year accolade at the Cannes Lions. Lau told how got into Tencent, how he sees the development strategy of the company, and shared their fears about the future of the IT giant.

<http://www.campaignasia.com/Article/396776,Exclusive+interview+Tencents+SY+Lau.aspx>

Read in Russian: <http://siliconrus.com/2015/05/tencent-interview/>

INFLUENCES OTHER INDUSTRIES



Few founders of profit-driven enterprises will quote the Dalai Lama when asked to distil the essence of their work into words. But for Danny Almagor to «be happy and useful» is at the heart of Small Giants, an Australian investment firm committed to positive social change. «Over the years, as we worked on our business, we still hadn't quite defined what we were doing,» says the co-founder and CEO. «That quote from the Dalai Lama really articulated what we were about.» Community building is a key concern for Small Giants — but so is profit. The co-founders have found a balance by pursuing partnerships with intelligent brands committed to creating a positive social and environmental impact.

<http://monocle.com/magazine/issues/83/common-good/>

Online platforms such as Storefront in the US, Appear Here in the UK and the Dutch company Spacified connect landlords with empty retail spaces and those looking for a temporary set-up. «There is a whole spectrum of entrepreneurs to cater to,» says Storefront co-founder Erik Eliason in San Francisco. «Some see two days at a farmers' market to sell homemade honey as a sufficient market test; another brand might test for a year.» Etsy, the online marketplace for hand-made goods, is on the larger end of this spectrum and has used Storefront to help find venues for a series of pop-up shops.

<http://monocle.com/magazine/issues/83/business-briefing/>



Boris Johnson, mayor of London, should be the most hated public figure in class-fixated Britain. His posh procession through Eton, Oxford, Times, Daily Telegraph, The Spectator (a magazine), the House of Commons and City Hall has been conducted with enraging insouciance, to say nothing of a demeanour and accent that PG Wodehouse would have toned down in the second draft. Yet poll after poll finds Johnson, 50, by far the most popular politician in the country. Key to his success has been a refusal to talk, act or dress like his colleagues or rivals. The eternal question is whether Johnson's (clearly endearing) idiosyncrasies are ungovernable instinct or populist contrivance.

<http://monocle.com/magazine/issues/83/europe-briefing/>

At Milan Fashion Week in February, the talk among western luxury brands was of the slowdown of sales in China as the country that has proved so lucrative for so many years shows signs of cooling. But another market attracted more than its share of attention: Iran. As a deal to bring the country's nuclear programme into line edges closer, many sense that international trade sanctions dating back to 1979 could at last be lifted. Plenty of western brands are ready to exploit this potential development,

looking for ways to enter the market early. And in Iran itself, developers and investors are seizing the opportunity and throwing money into the one asset that looks certain to bring in hefty returns: shopping malls.

<http://monocle.com/magazine/issues/83/persian-plenitude/>



Telegram has hit 62 million Monthly Active Users (up from 50m in December 2014). ежемесячного показателя в 62 миллиона активных пользователей. Число ежемесячно активных пользователей с декабря 2014 года увеличилось с 50 миллионов. WhatsApp, which Techcrunch compares to Telegram, has 800 million active users, nearly doubling its user base over the past year.

<http://fintechranking.com/2015/05/13/telegram-says-its-hit-62m-maas-and-messaging-activity-has-doubled/>

Read in Russian: <http://siliconrus.com/2015/05/telegram-62mln/>

Tencent revealed today that its messaging app WeChat now has 549 million monthly active users (MAUs). The figure is indicated in Tencent's Q1 2015 earnings report.

<https://www.techinasia.com/wechat-549-million-active-users-q1-2015/>



Japanese messaging app LINE is getting in on the SG50 action with its new free sticker pack featuring the app's popular mascots.

<http://e27.co/line-commemorate-sg50-special-sticker-pack-20150514/>

Snapchat Allows Users to (Finally!) Share News.

<http://www.wired.com/2015/05/snapchat-news-business-discover-share/>

Jule Zhuo, product design director at Facebook, made 10 predictions for the future of design for the next 10 years in a blog post on the Medium.

<https://medium.com/the-year-of-the-looking-glass/the-future-of-design-in-technology-fe1697e5826>

Read in Russian: <http://siliconrus.com/2015/05/10-design-trends/>

Rotterdam-based design firm MVRDV has developed a winning concept for a skygarden in Seoul that might just become the new gold standard for public parks that repurpose old infrastructure. And became like High Line in NY.

<http://goo.gl/D2oG68>

A 14-year-old girl made the 'How to Be Poor' video series that's blowing up on the internet.

<http://www.businessinsider.my/how-to-be-poor-viral-star-from-honduras-2015-5/>



WHY PEOPLE IN FINANCE AND INSURANCE ARE THE UNHAPPIEST EMPLOYEES? THREE FACTORS CONTRIBUTE TO THE LACK OF JOB SATISFACTION, DESPITE SECURITY AND HIGH WAGES.

<http://fintechranking.com/2015/05/14/why-people-in-finance-and-insurance-are-the-unhappiest-employees/>

Web services brand Wix launches its new commercial starring Heidi Klum, where she comes up with an idea for a new business, and thinks about its naming video.

<https://www.youtube.com/watch?v=mjhZ1vG1IQ>

<http://www.fastcocreate.com/3046234/heidi-klum-is-the-next-celebrity-making-a-career-change-in-new-wix-campaign>

<http://siliconrus.com/2015/05/heidi-klum-wix/>



MyCuteOffice, India's Airbnb for desk space and offices, just raised seed funding from angel network Lead Angels. The startup is a marketplace for sharing vacant work desks, offices, studios, and meeting facilities for small businesses in six Indian cities including Mumbai, Delhi, and Bangalore.

<http://fintechranking.com/2015/05/13/meet-indias-airbnb-for-small-offices-that-just-raised-funding/>

SOME MORE FEATURED READING FROM LIFE.SREDA VC IN RUSSIAN

Well-known entrepreneur and founder of Zappos, Tony Hsieh has once again demonstrated what a revolutionary approach to business means. The company has long been experimenting with Holocracy — a management concept, in which a vertical rigid management and corporate structure are replaced by self-managing teams — «circles» of employees. The company fully adopted the system on April 30.

<http://ain.ua/2015/05/11/579687>

RETAIL BUSINESS

Hungarian group OTP (Russian «daughter company» of OTP Bank) launches in Russia a new project — Touch Bank, which if successful is planned to be extended to other countries where the Group is represented. In fact, this is another attempt to launch a card bank with no bank offices.

<http://kommersant.ru/doc/2724408>



Banks greatly reduced the number of loans granted to customers with poor credit history over the past year.

<http://rbcdaily.ru/finance/562949995138804>

After the overwhelming ruble devaluation last December, the price rise slowed down this spring and life doesn't seem so terrifying any more. But the economic recession is still in place, which means that risks for the population only increase.

<http://kommersant.ru/doc/2714462>



The crisis sparked a new trend in the property market: the real estate owners are increasingly renting out their apartments and move to rented apartments. Before it was a major trend among the Moscow downshifting managers, who used to go to Europe and Goa to spend their money. Now the alternative rent is a way to get at least some extra income for many.

<http://kommersant.ru/doc/2713914>

According to TNS Russia, 16 million Russian users visit AliExpress website every month (according to SimilarWeb the number is even bigger — 55 million). By comparison, the audience of American eBay, which opened its Russian office two years earlier, is 8,2 million, and of Ozon.ru — 8,5 million. Russians use AliExpress to buy clothes, small electronics and computer accessories, souvenirs and gifts. More than half the users are from Russian regions while residents of Moscow and St. Petersburg more often use the competing websites. Kommersant's Secret of the Firm magazine found out the Chinese

quietly made a great breakthrough in the e-commerce.

<http://secretmag.ru/longread/2015/05/13/aliexpress/>

In early April, MasterCard and «Multimedia Art Museum» together with agencies Digitalizm, Insight ONE platform and Getsy Beacon launched an interactive guide to the museum using the iBeacon wireless technology. Mobile Application «Your MAMM» gives the visitor information about the exhibition and the exhibits, which varies depending on what works are close to the user. In total, the museum has 20 bluetooth-beacons.

<http://siliconrus.com/2015/05/mamm-mastercard/>



Probusinessbank (Life Financial Group): how to turn payers into customers, increase earnings per customer in the RB and how will the new internet bank will look like.

<http://futurebanking.ru/post/2835>

SMALL AND MEDIUM ENTERPRISES

Founders of the bank for entrepreneurs «Bank24.ru» launched a new bank for businessmen in a test mode, according to the representatives of «Tochka» (owned by the bank «Otkrytie»), on the basis of which the project is launched.

<http://siliconrus.com/2015/05/tochka-bank24/>

CORPORATE SECTOR



Over the year, prices for offices in Moscow fell by a quarter, and the share of vacant Class A offices rose up to 30%. Renters take a moment to renew the contract on favorable terms, or change to a more prestigious office.

<http://rbcdaily.ru/industry/562949995138797>

In Q1 the turnover of the Russian factoring market fell immediately by 22%, despite the fact that the sector hasn't fallen so far but has slowed its growth. But the market players have tightened requirements for customers, while their business, in its turn, has reduced — it especially affected car manufacturers and their dealers. At the same time, factoring with its costs rising close to loan costs has become less interesting as a financial tool.

<http://kommersant.ru/doc/2725503>

INVESTMENT MARKET

Central Bank announced its stance on the use of electronic signatures in the interaction with customers. In fact, the regulator has equated an electronic signature to a signature on paper. Interviewed experts pointed out that the innovation will not solve the main problem of the simplified customer identification.

<http://kommersant.ru/doc/2724391>

BANKING SECTOR



The Bank of Russia intends to make a new attempt to hamper the fictitious increase in bank capital with the help of a detailed instructions for its employees how to identify new and more complex schemes. Many banks are facing difficulties with a profit, and new funds are often missing from the capital shortly after the formal capitalization.

<http://kommersant.ru/doc/2724442>

The worst results for 2014 among retail banks were declared by «Svyaznoi» and «Renaissance Credit», their losses exceeded the capital, «Russian Standard» and «Vostochniy» have lost more than half of their own funds.

<http://rbcdaily.ru/finance/562949995138800>



In Q1 2015 Qiwi's adjusted net revenue compared to the same period last year increased by 34% to 2.515 billion rubles (IFRS). Adjusted net income for Q1 2015 increased by 42% — up to 1.117 billion rubles. The company report noted that the growth was mainly due to increase in volumes of electronic payments and remittances via its services. The number of active accounts, Visa Qiwi Wallet (eWallet) is 17.3 million, an increase over the year by 1.7 million, or 11%. Also, it signed a contract with the financial group «Otkrytie» to acquire 100% of one of the largest money transfer systems Contact and NGO «Rapida» for its own shares (9.3%).

<http://siliconrus.com/2015/05/qiwi-q1/>

In the near future the financial market anticipates the largest deal amidst the latest crisis. The owner of Moscow Credit Bank (ICB), Roman Avdeev is close to gaining control of FC «Uralsib» owned by Nikolai Tsvetkov. According to experts, the price is low — there is no competition for such major and difficult assets. But by getting rid of the troubled financial empire in a cheap but market way, Mr. Tsvetkov will retain his reputation, while Mr. Avdeev will be able to quickly and cheaply bring his business to the federal level.

<http://kommersant.ru/doc/2726104>

10% of shares of Promsvyazbank were acquired by the pension fund «Blagosostoyanie OPS», which bought the shares on the Moscow stock exchange for 6.9 billion rubles, according to a joint statement by the companies. Thus, the bank, which received 2.3 billion rubles annual profit was valued at one capital.

<http://rbcdaily.ru/finance/562949995175772>



Best regards,
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