

## Capital Market Overview

The market closed in green this week. The benchmark index DSEX (+0.61%) gained 31.68 points and closed the week at 5,201.42 points. The blue-chip index DS30 (-0.04%) lost 0.75 points and stood at 1,837.75 points. The shariah based index DSES (+0.00%) gained 0.03 points and stood at 1,192.22 points. DSEX, DS30 and DSES all posted negative YTD return of -3.42%, -2.29% and -3.29% respectively.

**Total Turnover During The Week (DSE):** BDT 23.7 billion (USD 285.0 million)

**Average Daily Turnover Value (ADTV):** BDT 4.7 billion ( $\Delta\%$  Week: +7.6%)

### Daily Index Movement during the Week:

The market performed five sessions during this week. Market opened this week with a positive movement of 0.06% in the first session. Market turned negative in the second sessions by -0.24%. Market turned positive in the third session by +0.52%. Market was flat in the fourth session by +0.00% and ended with a positive movement of 0.27%.

### Sectoral Performance:

- The financial sectors showed positive performance during this week except Mutual Funds (-2.57%). General Insurance experienced the highest gain of 1.71% followed by Banks (+1.31%), Life Insurance (+0.99%), and NBFIs (+0.88%).
- The non-financial sectors posted mixed performance during this week. Telecommunication experience the highest loss of 5.26% followed by Food & Allied (-1.13%). Power posted the highest gain of 2.81% followed by Pharmaceuticals (+0.88%), and Engineering (+0.76%).

### Macroeconomic arena:

- The government has targeted USD 45.50-billion earnings from merchandise exports in fiscal year (FY) 2019-20, projecting 12.25% growth over that of the last fiscal. It has also set an additional USD 8.50 billion in earnings from service exports, raising the total aggregate target to USD 54 billion
- The government's net borrowing through savings tools was 7.0% more in financial year 2018-19 compared to that of the previous fiscal year (FY). The net sales of savings tools in the July-June period amounted to BDT 499.39 billion, up from BDT 465.30 billion in the same period of FY 2017-18. The higher borrowing also pushed up the government's payment of profit by almost a quarter.
- Inflow of remittance rose by 21.2% year-on-year in July as expatriates sent home more money before Eid-ul-Azha, one of the biggest festivals of the Muslims. Bangladesh Bank data released on Monday showed that the country received USD 1.6 billion in remittance in July, the first month of financial year 2019-20, against USD 1.32 billion in the same month of last year.
- Bangladesh Bank plans to allow remitters to receive the government-announced 2% incentive directly in their accounts without any verification if they send amounts below USD 1,000. However, sources of income and other documents will be verified in case of remittance above USD 1,000 to avoid misuse of the fund.
- Bangladesh made a record in external debt repayment last fiscal year, in yet another indication of the growing stature of the economy. In fiscal 2018-19 the government paid off USD 1.57 billion to external lenders, up 12.23% year-on-year, according to data from Economic Relations Division (ERD) and Bangladesh Bank. Bangladesh's external debt repayment is still less than 1% of its GDP.

### Stock Market arena:

- The Bangladesh Telecommunication Regulatory Commission has initiated a move to stop renewing the existing voice and data packages of Grameenphone and Robi, supplementing its recent measure to halt approval for any new package. The commission took the measures as part of its move to recover BDT 134.47 billion in audit claim from the two operators. To this end, the telecom regulator sent a proposal to the posts and telecommunications ministry for approval, a senior BTRC official said. Once the proposal is approved by the ministry, the commission would implement the decision, he said.
- The tenure of EBL First Mutual Fund, a closed-end mutual fund, has been extended for another 10 years until August 18, 2029. Earlier in September 2018, the stock market regulator has given a go-ahead to the extension of the tenure of closed-end mutual funds and handed over the right to the asset managers. The existing closed-end MFs which are unwilling to extend tenure will be allowed to be converted or liquidated as per the rules, the BSEC directive said.

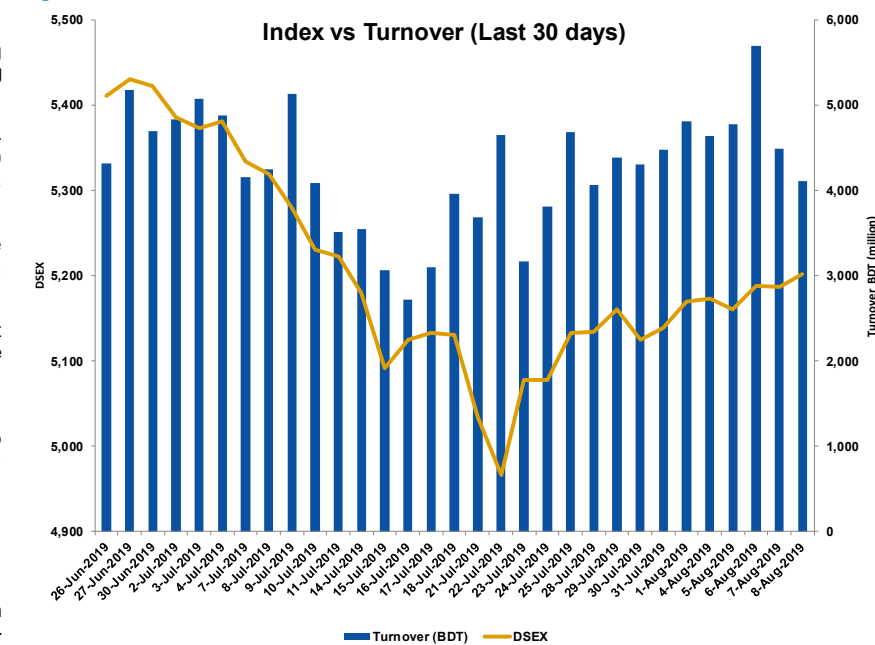
Table 1: Index

Index	Closing	Opening	$\Delta$ (Pts)	27-Dec-2018	$\Delta\%$ Week	$\Delta\%$ YTD
DSEX	5,201.42	5,169.74	31.68	5,385.64	0.61%	-3.42%
DS30	1,837.75	1,838.50	-0.75	1,880.78	-0.04%	-2.29%
DSES	1,192.22	1,192.19	0.03	1,232.82	0.00%	-3.29%

Table 2: Market Statistics

		This Week	Last Week	%Change
Mcap	Mn BDT	19,294,920.4	19,230,181.4	0.3%
	Mn USD	232,105.4	231,326.6	
Turnover	Mn BDT	23,696.0	22,022.3	7.6%
	Mn USD	285.0	264.9	
Average Daily Turnover	Mn BDT	4,739.2	4,404.5	7.6%
	Mn USD	57.0	53.0	
Volume	Mn Shares	637.5	720.4	-11.5%

Figure 1: DSEX & Turnover in last four weeks



Associate:  
Md. Rafiqul Islam  
mrafiqulislam@bracepl.com

Associate:  
Md. Mahirul Quddus  
mmahirul.quddus@bracepl.com

**Table 3: Top Ten Gainers**

Company Name	Close	Open	Δ%	Mcap (mn BDT)	Vol (mn BDT)	P/E	P/B
Coppertech Industries Limited	39.10	10.00	291.0%	2,346.0	587.85	57.2x	3.3x
BIFC	3	2.20	50.0%	332.2	.87	NM	NM
Pragati Life Insurance	139.00	109.90	26.5%	2,133.9	138.02	NM	13.9x
Al-Haj Textile Mills Limited	63.20	53.20	18.8%	1,409.3	175.29	NM	5.6x
Monno Jute Staffers	1,249.30	1,054.10	18.5%	2,586.1	413.56	222.4x	105.5x
Khulna Power Company Limited	58.40	50.60	15.4%	23,208.9	524.63	11.4x	2.4x
GBB Power Limited	11.50	10.10	13.9%	1,170.7	21.65	10.3x	1.0x
Global Insurance Ltd.	29.00	25.70	12.8%	1,120.0	162.62	61.9x	2.6x
Dragon Sweater & Spinning Ltd.	19.00	17.20	10.5%	3,015.3	298.83	8.8x	1.4x
Fareast Finance & Investment Limited	3.40	3.10	9.7%	557.8	1.22	NM	0.7x

**Table 4: Top Ten Losers**

Company Name	Close	Open	Δ%	Mcap (mn BDT)	Vol (mn BDT)	P/E	P/B
SEML IBBL Shariah Fund	8.60	11.60	-25.9%	860.0	50.97	NM	0.8x
SEML FBLSL Growth Fund	24.80	32.40	-23.5%	1,809.0	12.94	NM	2.5x
VFS Thread Dyeing Limited	39.50	47.70	-17.2%	3,680.9	310.80	25.7x	2.3x
SEML Lecture Equity Management Fund	7.70	9.00	-14.4%	385.0	72.45	NM	0.7x
BD Welding	18.00	20.90	-13.9%	772.6	15.40	8.2x	1.5x
Emerald Oil Industries Ltd.	11.10	12.60	-11.9%	662.8	6.50	97.5x	0.7x
Phoenix Finance 1st Mutual Fund	7.00	7.80	-10.3%	420.0	60.86	NM	0.6x
Kay and Que	179.30	195.80	-8.4%	879.0	51.87	191.1x	2.3x
CAPM BDBL Mutual Fund 01	7.00	7.60	-7.9%	350.9	11.05	NM	0.7x
Aziz Pipes Ltd.	140.40	152.10	-7.7%	750.7	18.88	228.2x	NM

**Table 5: Top Ten Most Traded Shares**

Company Name	Close	Open	Δ%	Mcap (mn BDT)	Vol (mn BDT)	P/E	P/B
United Power Generation & Distribution Company Ltd	395.10	383.60	3.0%	189,287.3	1,069.94	25.5x	13.3x
Monno Ceramic	212.30	214.20	-0.9%	6,934.1	986.66	32.3x	3.0x
Bangladesh Shipping Corporation	58.20	58.60	-0.7%	8,877.5	736.64	57.3x	0.5x
JMI Syringes & Medical Devices Ltd	509.80	466.10	9.4%	5,607.8	645.25	67.2x	7.2x
Fortune Shoes Limited	40.30	42.30	-4.7%	5,034.9	611.58	20.6x	3.0x
Coppertech Industries Limited	39.10	10.00	291.0%	2,346.0	587.85	57.2x	3.3x
Square Pharmaceuticals	251.10	251.90	-0.3%	198,120.0	553.42	16.3x	3.2x
Khulna Power Company Limited	58.40	50.60	15.4%	23,208.9	524.63	11.4x	2.4x
Monno Jute Staffers	1,249.30	1,054.10	18.5%	2,586.1	413.56	222.4x	105.5x
Indo-Bangla Pharmaceuticals Limited	24.80	24.50	1.2%	2,537.0	397.66	25.8x	1.9x

**Table 8: Most Appreciated YTD in BRAC EPL Universe**

Top 10 Most Appreciated Stocks	Close	Δ% YTD	Mcap (mn BDT)	P/E
Marico Bangladesh Limited	1,790.50	49.18%	56,400.8	29.8x
Pragati Insurance	36.20	38.83%	2,374.4	11.4x
Singer Bangladesh	213.60	25.53%	21,296.5	23.6x
Dutch-Bangla Bank	72.20	25.00%	36,100.0	11.8x
Power Grid Co. of Bangladesh Ltd.	59.40	23.75%	27,378.2	8.5x
Eastern Bank	38.30	17.03%	31,091.9	10.0x
Pioneer Insurance	33.60	15.46%	2,351.3	8.3x
Glaxo Smithkline	1,663.10	14.68%	20,034.4	NM
The Premier Bank	11.60	14.51%	10,719.5	5.4x
IFIC Bank	10.20	13.23%	16,522.7	9.1x

**Table 6: Sector Indices**

Sector Name	Week Close	Week Open	Year Open	%Δ Week	%Δ YTD
Banks	1453.80	1434.94	1428.63	1.31%	1.76%
NBFIs	1818.55	1802.68	2087.55	0.88%	-12.89%
Mutual Funds	684.79	702.87	644.52	-2.57%	6.25%
General Insurance	1878.39	1846.76	1488.77	1.71%	26.17%
Life Insurance	2218.01	2196.28	2251.96	0.99%	-1.51%
Telecommunication	4481.73	4730.71	5088.05	-5.26%	-11.92%
Pharmaceuticals	2794.31	2770.00	2698.49	0.88%	3.55%
Fuel & Power	1954.05	1900.63	1745.15	2.81%	11.97%
Cement	1408.73	1395.35	1676.63	0.96%	-15.98%
Services & Real Estate	1014.32	988.42	1017.99	2.62%	-0.36%
Engineering	2993.52	2970.86	2933.11	0.76%	2.06%
Food & Allied	15428.83	15605.60	15034.05	-1.13%	2.63%
IT	1880.94	1862.72	1545.46	0.98%	21.71%
Textiles	1316.71	1312.03	1461.18	0.36%	-9.89%
Paper & Printing	7108.29	7205.24	9105.21	-1.35%	-21.93%
Tannery	2406.51	2446.20	2560.38	-1.62%	-6.01%
Jute	16859.74	17379.21	21417.92	-2.99%	-21.28%
Ceramics	507.16	498.25	579.64	1.79%	-12.50%
Miscellaneous	2045.82	2036.68	1943.42	0.45%	5.27%

**Table 7: Sector Trading Matrix**

Sector Name	Daily average this	Daily average last	% Change	% of Total Turnover	P/E	P/B
Banks	312.8	260.5	20.10%	7.02%	9.5x	0.8x
NBFIs	100.4	78.2	28.39%	2.25%	68.9x	1.8x
Mutual Funds	156.9	360.1	-56.44%	3.52%	NM	0.5x
General Insurance	223.5	363.7	-38.55%	5.02%	14.1x	1.2x
Life Insurance	75.2	92.0	-18.25%	1.69%	NM	9.2x
Telecommunication	115.9	103.3	12.17%	2.60%	11.8x	9.3x
Pharmaceuticals	671.4	595.9	12.67%	15.07%	19.5x	2.6x
Fuel & Power	497.8	377.2	31.97%	11.17%	12.9x	2.3x
Cement	29.7	38.4	-22.68%	0.67%	28.0x	2.6x
Services & Real Estate	70.1	84.8	-17.36%	1.57%	NM	0.8x
Engineering	617.6	465.1	32.78%	13.86%	15.2x	1.8x
Food & Allied	142.8	150.5	-5.08%	3.21%	26.8x	9.0x
IT	156.1	152.7	2.25%	3.50%	23.5x	2.9x
Textiles	527.2	361.2	45.94%	11.84%	17.6x	1.0x
Paper & Printing	17.8	16.2	9.96%	0.40%	22.4x	1.8x
Tannery	182.9	264.6	-30.87%	4.11%	20.1x	2.7x
Jute	21.8	19.3	13.39%	0.49%	NM	7.7x
Ceramics	237.5	169.6	40.09%	5.33%	19.6x	1.9x
Miscellaneous	297.1	343.3	-13.46%	6.67%	27.0x	1.2x

**Table 9: Least Appreciated YTD in BRAC EPL Universe**

Top 10 Least Appreciated Stocks	Close	Δ% YTD	Mcap (mn BDT)	P/E
International Leasing	6.40	-50.95%	1,419.6	3.4x
United Airways (BD) Ltd.	1.50	-48.28%	1,242.1	NM
Heidelberg Cement	200.60	-40.07%	11,334.6	16.2x
IFAD Autos Limited	70.20	-35.24%	17,408.9	12.4x
Aftab Automobiles Limited	33.60	-26.80%	3,216.6	16.8x
IDLC Finance Ltd.	52.40	-24.82%	19,757.5	8.6x
AB Bank Limited	9.20	-23.33%	6,974.8	NM
Lankabangla Finance	18.30	-20.09%	9,391.2	9.8x
Beximco Limited	18.90	-19.57%	16,562.4	11.7x
RAK Ceramics Limited	31.70	-18.72%	12,333.3	14.3x

## Important News: Business & Economy

### Export target set at USD 54 billion

- The government has targeted USD 45.50-billion earnings from merchandise exports in fiscal year (FY) 2019-20, projecting 12.25% growth over that of the last fiscal. It has also set an additional USD 8.50 billion in earnings from service exports, raising the total aggregate target to USD 54 billion. Commerce ministry has targeted 34.10% growth in service export earnings for the current fiscal. More than 84% or USD 38.20 billion of the targeted export earnings is expected to come from the ready-made garment (RMG) sector.
- Bangladesh fetched USD 40.35 billion from merchandise shipments in FY 2018-19, recording 10.55-per cent growth over that of the previous fiscal. The earnings from service sector have been projected at USD 6.33 billion which would be 46.06% higher than that of USD 4.33 billion in FY 2017-18. The government has projected 11.91-per cent growth for RMG sector for this fiscal. The export target in the garment sector has been fixed at USD 38.20 billion, up from the last fiscal's achievement of USD 34.13 billion.

<http://today.thefinancialexpress.com.bd/first-page/export-target-set-at-54b-1565201417>  
<https://www.thedailystar.net/business/news/govt-sets-export-target-54b-1783357>  
<http://www.newagebd.net/article/81020/government-sets-455b-goods-export-target-for-fy20>

### Government's net borrowing rises 7.0% in FY '19

- The government's net borrowing through savings tools was 7.0% more in financial year 2018-19 compared to that of the previous fiscal year (FY). The net sales of savings tools in the July-June period amounted to BDT 499.39 billion, up from BDT 465.30 billion in the same period of FY 2017-18. The net sales of savings schemes are almost double the government's original target of BDT 261.97 billion in the last fiscal. Later, the government had lifted the target to BDT 450 billion for the last FY. The higher borrowing also pushed up the government's payment of profit by almost a quarter.
- The government spent BDT 248.96 billion on payment of profit on account of savings tools in the FY 2018-19, up from BDT 200.01 billion in FY 2017-18. With the sales of savings tools picking up, the government has set a target for its net borrowing from the instruments to BDT 270 billion for FY 2019-20. The sales of savings schemes have increased in recent years due to the higher yield rates compared to interest offered to bank clients investing in time deposit and poor-performing stock market. But officials said that the sales of instruments might fall in the current financial year due to a hike in source tax on yield gains.
- The National Board of Revenue (NBR) has increased source tax on the gains to 10% from 5.0-per cent on all types of state-run savings certificates in the current fiscal year. But the savers will get 5.0% rebate from source tax on their first BDT 500,000 of savings certificates. Besides, in case of purchasing pensioners' savings certificates, savers will get the full exemption from source tax on their first BDT 500,000. The government sells four types of savings certificates with yield rates up to 11.76%. It also sells different types of bonds to resident as well as non-resident Bangladeshis. An estimated 20 million people have investment in savings schemes.

<http://today.thefinancialexpress.com.bd/first-page/govts-net-borrowing-rises-70pc-in-fy-19-1565201468>

### Government raises gas price for IOCs in new PSC

- The international oil companies (IOCs) will get higher price for natural gas in the next bidding round, as the government has adopted the model production sharing contract (PSC) 2019 to lure them. The state-run Petrobangla has raised natural gas price for both shallow- and deep-water offshore blocks, while the price for onshore blocks has remained unchanged. Gas prices are pegged to high sulfur fuel oil (HSFO) prices in international market. For shallow- and deep-water offshore blocks the ceiling price for HSFO has been raised to USD 215 per tonne from the previous USD 200 per tonne, keeping the floor price unchanged at USD 100 per tonne compared to that of the previous model PSC of 2012.
- With these formulas the gas price for deep sea blocks stands at USD 7.25 per Mcf (1,000 cubic feet) in line with the current international market price with a hike by 11.53% from the previous price of USD 6.50 per Mcf. For shallow sea blocks, the gas price stands at USD 5.50 per Mcf in line with the current international market price with a hike by 9.09% from the previous USD 5.0 per Mcf. Bangladesh currently has a total of 31 open blocks to offer in the next bidding round, of which, nine are located in onshore areas, 14 located in deep sea, and eight in shallow sea.
- The upcoming bidding round is very important for us to ensure the country's future energy security, said Petrobangla Chairman. If any natural gas reserve is discovered, we will go for prompt production to ease the growing dependency on imported liquefied natural gas (LNG) to meet domestic demand, he added. The country's overall natural gas output is around 3,180 mmcf, including the re-gasified LNG. One of the Professors of Bangladesh University of Engineering and Technology (BUET) said that the price, as set by Petrobangla under the model PSC, includes 'risk premium', because the country does not have any seismic data on most of the fields.

<http://today.thefinancialexpress.com.bd/last-page/govt-raises-gas-price-for-iocs-in-new-psc-1565201603>

### Huawei seeks to set up innovation centre in Bangladesh

- Chinese telecommunication company Huawei has expressed its interest to establish a world-class innovation centre in Bangladesh. The technology company also wants to increase its investment in various sectors of Bangladesh such as big data analysis, advance computing, cyber security analysis and fifth generation (5G) telecommunication network. Lauding the investment climate in Bangladesh, the Huawei officials said that the company is interested to increase its investment in Bangladesh by the next year under a new scheme. In response, executive chairman of Bangladesh Investment Development Authority (BIDA) said that BIDA would provide all kinds of supports to Huawei for establishing the innovation centre.

<http://today.thefinancialexpress.com.bd/print/huawei-seeks-to-set-up-innovation-centre-in-bd-1565199999>

### Remittance rises by 21% in July

- Inflow of remittance rose by 21.2% year-on-year in July as expatriates sent home more money before Eid-ul-Azha, one of the biggest festivals of the Muslims. Bangladesh Bank data released on Monday showed that the country received USD 1.6 billion in remittance in July, the first month of financial year 2019-20, against USD 1.32 billion in the same month

of last year. BB officials said that the country received higher amount of remittance in July as expatriates sent higher amount of money for their family before the Eid-ul-Azha, which would be celebrated on August 12.

- Devaluation of the taka against the dollar has been working as another encouraging factor for the expatriates to send money, they said. The interbank exchange rate of a US dollar increased to BDT 84.5 in recent weeks from BDT 83.9 at the beginning of January this year. In the last 30 months, the taka was devalued by 7.37% or BDT 5.8 as the interbank rate of a dollar was BDT 78.7 in January, 2017.

- In FY19, remittance inflow hit record USD 16.4 billion breaking the previous highest of USD 15.32 billion in FY15. The inflow of remittance in FY19 was 9.48% or USD 1.42 billion higher than the amount received in FY18, USD 14.98 billion. The country's remittance receipt might leap further once the government implements its decision to give 2% cash incentive against remittance as it would bring down the remittance cost, officials said.

<http://www.newagebd.net/article/80799/remittance-rises-by-21pc-in-july>  
<https://www.dhakatribune.com/business/economy/2019/08/05/remittance-inflow-surges-ahead-of-eid-ul-azha>

### Record debt repayment last fiscal year

- Bangladesh made a record in external debt repayment last fiscal year, in yet another indication of the growing stature of the economy. In fiscal 2018-19 the government paid off USD 1.57 billion to external lenders, up 12.23% year-on-year, according to data from Economic Relations Division (ERD) and Bangladesh Bank. Of the amount, USD 1.18 billion was principal and USD 387 million interest. Bangladesh's external debt repayment is still less than 1% of its GDP. But it may put pressure on the economy after five to six years when repayment of big and supplier credit loans will start.

- If the funds are not utilized properly, debt repayment will hit the foreign exchange reserve and it would create pressure on the economy, a research director of the Centre for Policy Dialogue (CPD) said. Bangladesh received USD 6.21 billion in foreign aid in fiscal 2018-19, the second highest after the previous fiscal year's inflow of USD 6.37 billion, according to data from the ERD. A senior ERD official said that the amount of Bangladesh's external debt was very low as per the International Monetary Fund's permissible limit.

<https://www.thedailystar.net/business/news/record-debt-repayment-last-fiscal-year-1782304>

### 10 new products to get export subsidy

- The government is going to extend subsidies on the export of 10 new products with a view to boost export earnings to USD 50 billion by 2021 to achieve higher growth and generate employment. Moreover, garment export to the US, Europe and Canada will for the first time get 1% of the earnings as subsidy, for which the government has allocated BDT 28.25 billion. According to the Finance Secretary, the fruits of this subsidy would come through the achievement of the GDP growth target. At present, cash incentives ranging from 2-20% is provided on export of 26 categories of products.

- The new products will be eligible for cash incentives of 4 to 10%. They include surgical instruments and appliances, buffalo intestines and horns, home appliances, particle boards,

products from betel nut plants and garment products made from scrap fabrics. Agro and synthetic products made by Bangladeshi entrepreneurs at export processing zones, software made by local companies at hi-tech parks and PET flakes will also get the benefit.

<https://www.thedailystar.net/business/news/10-new-products-get-export-subsidy-1782325>  
<http://www.newagebd.net/article/80798/cash-incentives-against-export-of-more-products-in-fy20>  
<https://www.dhakatribune.com/business/economy/2019/08/05/11-more-products-to-get-export-incentive>

### Bangladesh Bank intervenes nominally in forex market in July

- The Bangladesh Bank's intervention in the interbank US dollar market has come to a very nominal level in July of the fiscal year 2019-2020, mainly due to slowdown in import payments against record inflow of remittance and export earnings. According to the Bangladesh Bank data, the central bank has injected only USD 36 million greenback into local market in July this year. In FY19, the BB injected USD 195 billion in a month on an average to contain the devaluation of Taka against US dollar. In total, BB injected USD 2.34 billion in the last fiscal year. In FY18, BB had injected USD 2.31 billion amid a significant increase in imports, especially the food items, following flash floods in the country's northeast region that had caused severe damage to crops. The amount of the dollar injected in the local market by the central bank in FY17 was only USD 175 million.

- Despite the injection of USD 4.65 billion in last two years, Taka devaluated by 7.36% against US dollar since January, 2017 when dollar was traded at BDT 78.7. Despite the lower amount of US dollar injection by the BB in the local market, exchange rate of a US dollar was BDT 84.5 On Thursday, same as it was in June this year.

<http://www.newagebd.net/article/80455/bangladesh-bank-intervenes-nominally-in-forex-market-in-july>

### FY19 imports up by 6.0%

- The country's imports grew by more than 6.0% in fiscal year (FY) 2018-19 following higher imports of construction materials as intermediate goods, officials said. The actual import in terms of settlement of letters of credit (LCs) rose to USD 54.64 billion in the July-June period from USD 51.53 billion a year before, according to the central bank's latest data. Imports increased with a decreasing trend in FY '19 mainly due to lower imports of consumer goods, particularly food grains, a senior Bangladesh Bank (BB) official explained. The growth of imports was 11.39% in FY '18.

- Meanwhile, imports of intermediate goods like coal, hard coke, clinker and scrap vessel jumped by 34.50% to USD 5.53 billion in FY '19 from USD 4.11 billion in FY '18. Mega infrastructure projects, including Padma Bridge, Dhaka Metro Rail and Dhaka Elevated Expressway, are consuming the lion's share of such goods, according to BB officials. Even imports for nuclear power plant also pushed up the overall import expense in last fiscal, they stated.

- The central bank officials also cited higher imports of petroleum products, including liquefied natural gas, as factors in the higher import spending in FY '19. Imports of fuel oil increased by 11.69% to USD 3.74 billion in last fiscal year from USD 3.35 billion a year before, the official figures showed. According to the officials, fuel oil imports may rise further in FY '20 mainly due to the diversified use of gasoline products, particularly for power

generation.

[http://today.thefinancialexpress.com.bd/first-page/fy19-imports-up-by-60pc-1564766903?](http://today.thefinancialexpress.com.bd/first-page/fy19-imports-up-by-60pc-1564766903?date=03-08-2019)

[date=03-08-2019](http://today.thefinancialexpress.com.bd/first-page/fy19-imports-up-by-60pc-1564766903?date=03-08-2019)

<http://www.newagebd.net/article/80349/fy19-capital-machinery-import-drop-contradicts-gdp-growth>

### **Bangladesh's global share of RMG static**

- When China has been rapidly losing its share in the global apparel export market for the past three years, Bangladesh's share remains static at around 6.40%. Chinese share in the global ready-made garment (RMG) market declined to 31.25% in 2018 from 34.90% in 2017 and 36.40% in 2016. Conversely, the share of Bangladesh was 6.43% in 2018, according to the latest statistics released by the World Trade Organization (WTO). It was 6.45% in 2017 and 6.36% in 2016.

- The annual export of Bangladeshi RMG products, however, posted the double-digit growth of 11% last year, breaking four years of single-digit growth. As per the World Trade Statistical Review 2019, the total value of Bangladeshi apparel exportable stood at USD 32.45 billion in 2018 against USD 29.33 billion in 2017. Bangladesh retained its position as the third-largest global exporter of clothing. China is the top exporter followed by the European Union (EU). Vietnam, however, registered 13.0% growth in garment export in 2018 and its share globally reached 6.20%. It was 5.90% in 2017 and 5.54% in 2016. Vietnam is the fourth-largest exporter of the apparel in the world followed by India whose share declined to 3.30% from 4.10% in 2017.

- The report also unveiled that annual imports of textile and textile products by Bangladesh crossed the USD 10-billion level last year. In 2018 alone, the country imported textile items worth around USD 11.0 billion from abroad to meet its growing demand which was USD 9.41 billion in 2017. It ranked as the fifth-largest textile importer and its share in global textile imports increased to 3.30% in 2018 which was 3.0% in 2017. The 28-nation EU is the world's leading importer of both textile and clothing followed by the United States.

<http://today.thefinancialexpress.com.bd/first-page/bds-global-share-of-rmg-static-1564681783?date=02-08-2019>

### **Bangladesh RMG exports to US grow fastest among competitors in H1**

- Country's apparel exports to the US in the first half of 2019 registered highest growth among the competitor countries as US buyers shifted orders from China to Bangladesh and other countries due to the on-going US-China trade tension. Experts and exporters said that the country's RMG export to the US might rise further in coming months following US president Donald Trump's threat issued on Thursday to impose tariffs on more China products including apparel items. Bangladesh's earnings from readymade garment exports to the US in January-June grew by 14.49% to USD 3.08 billion from USD 2.69 billion in the same period of 2018, according to data of the Office of Textiles and Apparel under the US Department of Commerce released on Friday.

- Vietnam's RMG export to the US in the January-June in 2019 grew by 11.74% to USD 6.36 billion from USD 5.69 billion in the same period of 2018, US data showed. The US apparel import from India in the first half of 2019 stood USD 2.26 billion with 10.43% growth while the import from Indonesia grew by 2.35% to USD 2.27 billion in the period.

<http://www.newagebd.net/article/80569/bangladesh-rmg-exports-to-us-grow-fastest-among-competitors-in-h1>

### **No verification for remittance below USD 1,000**

- Bangladesh Bank plans to allow remitters to receive the government-announced 2% incentive directly in their accounts without any verification if they send amounts below USD 1,000. However, sources of income and other documents will be verified in case of remittance above USD 1,000 to avoid misuse of the fund. The banking regulator has prepared a draft guideline in this regard and sent it to the finance ministry for approval, said the deputy governor of Bangladesh Bank.

- For the first time, the government has introduced an incentive, which is 2%, on the money remitted by expatriate Bangladeshis with a view to encouraging the inflow of remittance through legal channels. The government has allocated BDT 30.60 billion for the purpose in the current fiscal year. The official said that banks will pay an additional 2% to the remitters when they disburse the money to the bank accounts of the recipients. For example, if an expatriate sends BDT 100, the respective bank will disburse BDT 102 in favor of the beneficiary account. Later, the bank will claim the additional payment with the central bank. At present, commercial banks disburse incentives to exporters when their earnings enter the country.

<https://www.dhakatribune.com/business/banks/2019/07/31/bb-governor-no-liquidity-crisis-in-banks>

### **Japan's business presence in Bangladesh growing fast**

- The number of Japanese companies in Bangladesh increased by 50% over the last five years as they want to continue their stronger presence here, says a senior official at the Japanese Ministry of Foreign Affairs. The spokesperson for the Japanese Foreign Minister said that Bangladesh is set to become the second largest recipient of Japanese assistance right after India in Japanese fiscal year 2019 while it was the third largest recipient in fiscal year 2018. Japan has been the single biggest bilateral development partner for Bangladesh and the amount of Official Development Assistance (ODA) to Bangladesh from Japan last year marked USD 1.8 billion.

<http://today.thefinancialexpress.com.bd/trade-market/japans-business-presence-in-bangladesh-growing-fast-1564678453?date=02-08-2019>

### **Foreign investors to purchase shares worth USD 100m of United Mymensingh Power**

- United Power Generation & Distribution Company Limited and its major shareholder United Mymensingh Power Limited ("UMPL") executed an agreement with an international private equity group for an investment of BDT 8.5 billion (approximately USD 100 million). The investors will purchase existing shares from UMPL. The share sales will be by way of an agreed plan of UMPL and United Power, said a statement. The incoming investment was facilitated by Blue Mount Capital which acted as the international corporate finance advisors.

- United Mymensingh Power, one of the corporate directors of United Power, will sell 10 million shares at prevailing market price in the block market. According to statistics

available with the DSE, 770,520 shares of United Power were traded, generating a turnover of BDT 302 million, which was 5.31 per cent of the total turnover. The company's paid-up capital is BDT 4.79 billion and authorised capital is BDT 8.0 billion while total number of scrippities is 479.08 million.

<http://today.thefinancialexpress.com.bd/stock-corporate/foreign-investors-to-purchase-shares-worth-100m-of-united-mymensingh-power-1565113072>

### Higher demand for cash pushes up call money rates

- The call money market is experiencing a moderate rise in demand for cash ahead of Eid-ul-Azha, pushing up the interest rates in the last couple of days. The Debt Management Department of Bangladesh Bank recorded a 4.56% weighted average interest rate yesterday. Highest rate of interest on lending stood at 5% while the lowest at 4.25%. Before the Eid bonanza, the call money rate hovered around 3% to 3.5%. Financially sound banks lent a total of BDT 64.34 billion on Wednesday and slightly above BDT 70 billion the previous day, according to statistics of the Debt Management Department.

- In the banking system, call money is an overnight borrowing facility. Borrowing here takes places in a single-day notice. Such borrowing may be renewed every following day with competitive interest rate based on lender-borrower relations, he elaborates. Banks and NBFIs borrow on call from money market to meet short-term cash requirements. Beside the money market, banks can also borrow from the central bank under repo facility to meet emergency cash requirement. However, NBFIs largely depend on call money market as they are not eligible for repo facility.

<https://www.dhakatribune.com/business/economy/2019/08/07/higher-demand-for-cash-pushes-up-call-money-rates>

## Important News: Capital Market

### BTRC moves to stop renewing Grameenphone, Robi's existing packages

- The Bangladesh Telecommunication Regulatory Commission has initiated a move to stop renewing the existing voice and data packages of Grameenphone and Robi, supplementing its recent measure to halt approval for any new package. The commission took the measures as part of its move to recover BDT 134.47 billion in audit claim from the two operators. To this end, the telecom regulator sent a proposal to the posts and telecommunications ministry for approval, a senior BTRC official said. Once the proposal is approved by the ministry, the commission would implement the decision, he said.

- At present, GP has approval for running around 40 voice and data packages excluding promotional offers while the other operator, Robi, has approval for operating over 100 packages and offers for the customers. Usually the BTRC approves packages for one year and then the operators are allowed running such packages for more than one year subject to intimation to the commission. BTRC chairman on a number of occasions said that there was no scope in the telecom rules to follow arbitration in resolving the dispute. A Robi statement issued by its chief corporate and regulatory officer said that the current blockade of NOC had devastating impact on the telecom business as well as on the telecom ecosystem.

<http://www.newagebd.net/article/81018/btrc-moves-to-stop-renewing-grameenphone-robis->

[existing-packages](#)

### Bangladesh Telecommunication Regulatory Commission (BTRC) to go tough against GP, Robi

- The telecom regulator is set to issue two separate show cause notices to Grameenphone and Robi asking them to reply within 30 days why their licences will not be cancelled despite violating the licensing conditions by not paying the telecom regulator's 'dues'. Bangladesh Telecommunication Regulatory Commission has demanded BDT 125.80 billion from Grameenphone and BDT 8.67 billion from Robi as per the finding of the audits into the two operators' books. On Sunday, the BTRC has sent their recommendations to the posts and telecom division and sought the government's approval on the show cause notices.

- As per the telecom act, the BTRC will have to take prior approval from the government to issue show cause notice aiming to cancel any licence or start any licence cancelling procedure. Telecom said that they have received BTRC's recommendation and are now working on it. As a regulator the BTRC has the right to send this type of recommendation to us and they did it. Now they will consider all the related issues and make our decision, he added. As per that section, the telecom regulator can cancel the licence and appoint an administrator if their response is not satisfactory.

- A senior official of the BTRC said they will issue the letter to the two operators, which have more than 120 million active mobile connections between them, soon after getting the approval from the government. A senior executive of a mobile operator said they may even consider moving to the international court to get a solution on the issue and that would be a disaster for industry and the country.

<https://www.thedailystar.net/business/telecom/news/btrc-go-tough-against-gp-robi-1782874>

### Prices of rawhide remain unchanged

- Prices of rawhides of sacrificial animals during Eid-ul-Azha have been kept unchanged at last year's level amid strong demand for lessening the rates by the tanners and traders concerned. The price of cowhide (salted/non-salted) has been re-fixed at BDT 45-50 per sq ft (square feet) in Dhaka and BDT 35-40 per sq ft outside the capital during this Eid-ul-Azha. Goatskin (salted/salt-free) will sell at BDT 18-20 per sq ft across the country while she-goat's skin at BDT 13-15 per sq ft.

- Commerce minister said it should not be justified to reduce the prices of rawhide this year than that of the last year since there is a humanitarian side. He added there would be bad impact if the prices of rawhides are reduced this year. This year the number of animals to be sacrificed across the country is estimated to be over 11.78 million. Of these, 4.58 million are cows and buffaloes while 7.2 million are goats and sheep. Last year, over 11.55 million animals were sacrificed, according to data from the commerce ministry.

<http://today.thefinancialexpress.com.bd/first-page/prices-of-rawhide-remain-unchanged-1565114479>

<https://www.thedailystar.net/business/news/rawhide-prices-unchanged-eid-1782826>

<http://www.newagebd.net/article/80879/rawhide-prices-set-at-7-yr-low-despite-doubling-of-cow-prices>

<https://www.dhakatribune.com/business/2019/08/06/govt-keeps-rawhide-prices-unchanged>

## Tanners to get BDT 6.55 billion in loan to buy rawhide

- Four state-owned banks would provide 23 entities with credit facility worth around BDT 6.55 billion for purchasing rawhide on the eve of Eid-ul-Azha, the biggest supply season of the item. They also said that they traders would get loans at the rate of 9 per cent interest for purchasing rawhide. Of the banks, Rupali Bank would provide highest BDT 2.50 billion, Janata BDT 2.00 billion, Agrani BDT 1.35 billion and Sonali rest BDT 700 million. However, the disbursement of the loans might vary due to the existing state of loans repayment by the entities which received loan facility last year.
- Agrani Bank managing director said that the entity has decided to issue BDT 1.35 billion loans to 6 entities for purchasing rawhide on the eve of Eid-ul-Azha. Agrani disbursed BDT 1.05 billion to four entities in this regard last year, he said. Mentioned 75 per cent recovery rate of those loans, he also said that adding that the bank would disburse loans based on the repayment ratio of the entities. The country's export of leather and leather goods constitutes worth around USD 1 billion. Leather businesses collect 50 per cent of their annual requirement during Eid-ul-Azha.
- Janata Bank would disburse BDT 2.00 billion fresh loans to 10 entities in this Eid for purchasing rawhide, said its managing adding that they would charge 9 per cent interest against such loans. Besides, Janata Bank would reschedule loans worth BDT 11.05 billion which were issued for purchasing rawhide in the previous years. Besides the state-owned banks, several private commercial banks were also issuing credit facility to their customers in this regard.

<http://www.newagebd.net/article/80915/tanners-to-get-BDT-655cr-in-loan-to-buy-rawhide>

## Bangladesh Bank steps in to ease non-bank lenders' liquidity problem

- The central bank has allowed non-banking financial institutions (NBFIs) to borrow the maximum 40% of their equities from the inter-bank call money market. The current limit is 30%. The revised limit for borrowing from the call money market of the NBFIs will come into effect from September 01, 2019, according to a notification issued by the Bangladesh Bank (BB) on Monday.
- The NBFIs also were advised to raise capital through issuing bonds, which will also help reduce the dependence on funds from banks. The BB's latest move came against the backdrop of liquidity crunch facing the non-banking financial sector, especially after the recent liquidation of People's Leasing and Financial Services Ltd (PLFSL).

<http://today.thefinancialexpress.com.bd/first-page/bb-steps-in-to-ease-non-bank-lenders-liquidity-problem-1565026453>

<https://www.thedailystar.net/business/news/bb-brings-some-relief-nbfis-cash-crunch-1782310>

<http://www.newagebd.net/article/80797/nbfis-allowed-to-borrow-more-thru-call-money-market>

<https://www.dhakatribune.com/business/banks/2019/08/05/bb-allows-nbfis-to-borrow-larger-amount-from-call-money-market>

## EBL First Mutual Fund tenure extended up to 2029

- The tenure of EBL First Mutual Fund, a closed-end mutual fund, has been extended for another 10 years until August 18, 2029, said an official disclosure on Monday. Closed-end

mutual funds are investment funds that gather a fixed pool of money for 10 years from a number of investors and re-invest them into stocks, bonds and other assets. Bangladesh RACE Management PCL, the asset manager of the fund, has informed that by order of the government, the BSEC through the exercise of its power accorded by the Securities and Exchange Ordinance, 1969 (XVII of 1969) Section 20A has given consent to extend the tenure of the existing EBL First Mutual Fund for another 10 years in relaxation of all applicable rules & regulations and procedures.

- Earlier in September 2018, the stock market regulator has given a go-ahead to the extension of the tenure of closed-end mutual funds and handed over the right to the asset managers. In this regard, the BSEC also issued a directive that time scrapping its previous directive regarding conversion or liquidation of closed-end MFs on completion of tenure of ten years. The existing closed-end MFs which are unwilling to extend tenure will be allowed to be converted or liquidated as per the rules, the BSEC directive said. According to BSEC directive, total tenure, including another term of ten years, of the existing closed-end mutual funds will not be more than 20 years.

<http://today.thefinancialexpress.com.bd/stock-corporate/ebf-first-mf-tenure-extended-up-to-2029-1565023633>

## 281,000 BO accounts closed in July amid sluggish stock business

- A total of 281,158 beneficiary owner (BO) accounts were closed in July due mainly to non-payment of annual account renewal fees by the stock investors amid sluggish stock business. Besides, capital losses also contributed to exodus of investors who did not bother to renew their accounts paying annual fee, stakeholders have said. July is the month for clearing annual BO account renewal fees. The DSE officials concerned say the number of defaulting BO account holders in the given month was the highest this year, as never in the last decade did the number cross two lakh.

- According to the Central Depository Bangladesh Ltd (CDBL) data, the number of active BO accounts was 28,09,850 on June 30, but the figure declined to 25,28,692 on July 31 this year. Dhaka Stock Exchange Brokers' Association (DBA) president said that investors are not paying fees as they could not make profit and faced huge losses. About closing such a big number of BO accounts, he says that good companies are not going public, and BSEC did not approve a single IPO since April 30.

- As of yesterday, out of a total 2,516,104 BO accounts, 1,844,925 belonged to males and 671,179 to female investors. According to the CDBL data, currently 2,372,817 BO accounts are owned by Bangladeshi investors and 143,287 accounts by non-resident Bangladeshi investors.

<https://www.dhakatribune.com/business/stock/2019/08/05/281-000-bo-accounts-closed-in-july-amid-sluggish-stock-business>

## Bangladesh Bank to issue circular soon, banks to act: Finance Minister

- The central bank will issue a circular immediately asking the scheduled banks to bring down the interest rates on both lending and deposit at 9.0% and 6.0% respectively, Finance Minister said on Sunday. The briefing held following his meeting with the chairmen and managing directors of the country's private commercial banks (PCBs). Sixteen banks including seven state-owned banks and nine PCBs have already brought down their interest rates on lending to single digit, according to the ministry.

- At the meeting, top private bankers alleged that they were not getting deposit from the state-owned enterprises (SoEs) as per the announced policy of the government, a senior chief executive officer (CEO) of a leading PCB told the FE after the meeting. The government earlier allowed the state entities to deposit 50% of their funds with the PCBs, up from the previous ceiling of 25% to facilitate increase the flow of liquidity particularly into the private banks. The minister assured at the meeting to look into the matter.
- The minister also informed the meeting that work is on to form asset-management companies that will help reduce the amount of NPLs, meeting sources said. Bankruptcy act will also be amended shortly, Mr. Kamal added.

<http://today.thefinancialexpress.com.bd/first-page/bb-to-issue-circular-soon-banks-to-act-kamal-1564941323>

<http://www.newagebd.net/article/80686/bangladesh-bank-to-order-banks-to-cut-interest-rates-to-single-digit-minister>

<https://www.thedailystar.net/business/news/bb-issue-notice-soon-capping-interest-rates-1781962>

### **Tax receipts from DSE fall 13% in July**

- The government's revenue earnings from the Dhaka Stock Exchange (DSE) fell 13% year-on-year in July this year on the back of falling trade volume and value. Market analysts said the bearish market trend coupled with sluggish trading activities hit the government's revenue earnings from the prime bourse. The government bagged revenue worth BDT 195 million in July this year, the first month of the current fiscal year, which was BDT 225 million in July 2018, registering a decline of 13%, according to statistics from the DSE. Of the total earnings in July this year, BDT 90 million came from the TREC (trading right entitlement certificate) holders' commission, popularly known as brokerage commission. And BDT 105 million came from the share sales by sponsor-directors and placement holders, the DSE data shows.
- The DSE, on behalf of the government, collects the tax as TREC holders' commission at a rate of 0.05% and from sponsor-directors' and placement holders' shares sales at a rate of 5.0%. The DSE then deposits the amount to the public exchequer. An analyst at a leading brokerage firm noted that as the turnover marked a decline in July this year compared to the same month last year, so did the tax. The daily turnover, the important gauge, came down to BDT 3.83 billion on average in July 2019, down 55% over the previous year's July. In July, 2018, daily average turnover was BDT 8.48 billion.

<http://today.thefinancialexpress.com.bd/stock-corporate/tax-receipts-from-dse-fall-13pc-in-july-1564938707>

### **Dhaka stocks flat ahead of Eid holidays**

- Dhaka stocks ended flat on Sunday as a section of investors sold off their holdings ahead of Eid-ul-Azha holidays while the others, encouraged by good financial disclosures by listed firms, continued buying shares. Trading at the Dhaka Stock Exchange and the Chittagong Stock Exchange will remain closed in August 9-17 for weekly and Eid holidays.

<http://www.newagebd.net/article/80689/dhaka-stocks-flat-ahead-of-eid-holidays>

<https://www.dhakatribune.com/business/stock/2019/08/04/non-compliant-coppertech-s-share-trading-on-monday>

### **Coppertech makes trading debut today**

- Coppertech Industries makes its trading debut on the Dhaka Stock Exchange and Chittagong Stock Exchange today (Monday) under 'N' category. Trading code for Coppertech is "COPPERTECH" and DSE company code is 13247 while CSE scrip code is "COPPERTECH" and scrip ID is 16040. The Coppertech, which received regulatory approval from the Bangladesh Securities and Exchange Commission (BSEC) on December 26, 2018, raised a fund worth BDT 200 million under the fixed price method.

- Located in Hobiganj, the Coppertech Industries is a copper pipe, tube, bus bar, strip, and wire manufacturer in Bangladesh. The company started its commercial operation in June 2014. The core markets for the product of the company are power plants, AC fridge manufacturing factory and workshop, engineering workshop, electronic product producer and other local customers, according to IPO prospectus.

<http://today.thefinancialexpress.com.bd/stock-corporate/coppertech-makes-trading-debut-today-1564938750>

<https://www.dhakatribune.com/business/stock/2019/08/04/non-compliant-coppertech-s-share-trading-on-monday>

### **Net foreign investment remains negative for fifth straight month**

- Net foreign portfolio investment in Dhaka Stock Exchange (DSE) remained negative for the fifth consecutive month in July due to higher outflow of equity fund. Market analysts said foreign investors continued to pull their funds from equities like local investors amid concerns over the country's financial sector, depreciation of taka against dollar and dearth of quality stocks. The government's move to liquidate People's Leasing and Financial services Limited, imposition of penalty tax on listed companies and the ongoing tussle between Grameenphone and the telecom regulator also dampened the foreign buyers' confidence, they added. In July, foreign investors bought shares worth BDT 3.09 billion and sold off shares worth BDT 4.74 billion, forcing the net position to reach a negative BDT 1.65 billion, according to the DSE data.

- However, a local stockbroker said, the foreign investors are not the market drivers, as they account for less than 2.0% of DSE's total market capitalization, also the lowest among South Asian countries. In the last seven months (January-July) of 2019, DSEX, the benchmark index of the premier bourse, also slumped 247 points or 4.58%.

<http://today.thefinancialexpress.com.bd/stock-corporate/net-foreign-investment-remains-negative-for-fifth-straight-month-1564677999?date=02-08-2019>

<http://www.newagebd.net/article/80352/foreign-investors-running-for-exit-from-capital-market>

### **11.12% drop in number of active BO (beneficiary owner's) accounts in two months**

- The number of active BO (beneficiary owner's) accounts declined by 11.12% in last two months mainly because of non-submission of annual fees and removal of irregularities found in case of opening many accounts. On August 1, the number of active BO accounts stood at over 2.53 million which was 2.84 million as of May 30 last. As a result, the number of active BO accounts declined 11.12% to 0.31 million in last two months. The market



operators said many BO accounts remained suspended every year at the end of June for not submitting maintenance fees.

- A representative of the DSE Brokers Association (DBA) said the number of BO accounts has also declined because of another move of removing irregularities found in case of opening BO accounts. On June 20 last, the Bangladesh Securities and Exchange Commission (BSEC) has issued a circular to submit a report on the compliances maintained in opening BO accounts. The securities regulator moved to ensure compliances following many regularities found in case of opening accounts.

<http://today.thefinancialexpress.com.bd/stock-corporate/1112pc-drop-in-number-of-active-bo-accounts-in-two-months-1564847638>

### **Finance minister threatens to fold losing branches of BASIC Bank**

- Finance minister AHM Kamal on Thursday lashed out at the officials of the BASIC Bank for their failure to improve the financial health of the troubled state lender. As the scandal-hit bank is struggling to control bad loans, the minister said they have decided to shut down the branches that have incurred losses for three consecutive years, including the current year. The finance minister also hinted at launching special audit and inquiry into the officials who approved and disbursed bad loans.

- Established in 1989, the state-run commercial bank had been one of the good performing banks in the country until 2009 but things started deteriorating afterwards when a string of loan scandals were exposed. The volume of non-performing loan was only 4.8% in 2009, which jumped to 67% in 2014. Then it went down to 54%, but it again climbed to 59%, officials said.

<http://today.thefinancialexpress.com.bd/first-page/finance-minister-threatens-to-fold-losing-branches-1564681503?date=02-08-2019>

<http://www.newagebd.net/article/80350/loss-making-basic-bank-branches-to-face-closure>

### **Banglalink's revenue sees 5.4% growth in Q2 2019**

- Banglalink, a leading telecom operator in Bangladesh, has incurred a total revenue of BDT 11.50 billion in the second quarter of 2019, which is a growth of 5.4% from the first quarter of the year. Most of this growth has been due to the success of their data revenue. According to a VEON report published on Thursday, Banglalink's total revenue was BDT 10.90 billion in the previous quarter and this quarter's growth is driven by an acceleration of mobile service revenue, increasing by 7.8% year on year (YoY) to BDT 11.30 billion. Data revenue increased by 27.9% to BDT 2.3 million, which was BDT 1.8 million in the previous quarter, driven by increased smartphone penetration and doubled data usage YoY to 1,250 MB, along with 9.8% YoY growth in active data users, the report showed.

- The increase in revenue represents a continuation of the positive trend seen in the first quarter in 2019, despite the gap in Banglalink's 3G network coverage in comparison to its competitors, said the report. Service revenue also increased by 2.5% quarter on quarter (QoQ) in the second quarter 2019. The revenue increase was mainly driven by a continued improvement in data revenue, following enhanced network availability, with the continued expansion of Banglalink's coverage.

- Chief Executive Officer of Banglalink said that Banglalink's YoY customer-base grew by 3.1% in this quarter as well. They are confident of keeping the up this momentum

throughout the rest of the year. However, as the SIM tax, the supplementary duty on voice and data services, and the minimum tax on a mobile operator's turnover have been increased in the recent budget, it will be challenging for them to maintain the expected growth rate, he added.

<https://www.dhakatribune.com/business/2019/08/01/banglalink-s-revenue-sees-5-4-growth-in-q2-2019>

<https://www.thedailystar.net/business/telecom/news/banglalink-revenue-54pc-q2-1780576>