

Following is a summary of important business news published in the leading daily newspapers of Bangladesh. For the complete news, please follow the online link given below each news. Please note that the news summary doesn't reflect the opinion of BRAC EPL Stock Brokerage Limited.

### **July-October remittance up by 12.17%**

- Expatriate Bangladeshis sent USD 5,108 million remittances during the first four months of the current fiscal 2018-19 (FY19), which is 12.17% higher than that of the previous fiscal.
- The country received USD 4,553.79 million remittances during July to October in the fiscal year 2017-18 (FY18).
- The flow of remittances into the country shows upward trend in the current fiscal 2018-19 as BB has taken measures to streamline the legal channel for encouraging Non Resident Bangladeshis (NRBs) to send money to the country.
- According to the BB data, the country received USD 1,239.11 million in October, USD 1,139.66 million in September, USD 1,411.05 million in August and USD 1,318.18 million in July, 2018.

<https://thefinancialexpress.com.bd/economy/bangladesh/july-oct-remittance-up-by-1217pc-1541760866>

### **Bangladesh an investment hotspot, says Japan International Cooperation Agency (JICA) representative**

- Japan International Cooperation Agency (JICA) chief representative for Bangladesh said Japanese entrepreneurs see Bangladesh as the most attractive investment hub.
- There are a lot of SMEs (small and medium enterprises) scattered throughout Bangladesh where Japan can come forward with their all-out support said the chief of JICA Bangladesh.
- He also added that Bangladesh secured unexpected growth in its gross domestic product (GDP) over a decade, which is very encouraging for the people of Bangladesh.
- According to Chittagong Chamber of Commerce and Industry (CCCI) president, a very strong economy Japan has built through the SME sector which is a model for the growth of Bangladesh SME sector as well.

<http://today.thefinancialexpress.com.bd/public/trade-market/bd-an-investment-hotspot-says-jica-rep-1541785020>  
<https://www.thedailystar.net/business/banking/news/smes-still-under-utilised-1658203>

### **July-September first quarter (Q1): Agent banking accounts increased 14.15%**

- Agent banking is gaining popularity in the country, as the number of such banking accounts has increased 14.15% to 2,028,864 in the first quarter of the current fiscal year.
- As of September 30, the number of agent banking accounts stood at 2,028,864, up from 1,777,400 registered at the end of June, increasing a staggering 251,465 accounts in July-September period.
- Agent banking is getting popular since its operation nearly two years back. The model has been widening significantly almost every quarter for an initiative of banks to bring in an alternative to branch-based banking, bankers said.
- Agents provide services such as cash deposits, withdrawals, remittance disbursement, small value loan disbursement and recovery of loans, and cash payments under the government's social safety net programmes.
- As of September 30, a total of 18 banks are providing agent banking services. The number of agents is 3,902 and outlets 5,791.

<https://www.dhakatribune.com/business/2018/11/09/jul-sep-q1-agent-banking-accounts-increased-14-15>

### **Government borrowing from savings tools up 5.0% in first quarter (Q1)**

- The government's net borrowing from state-owned savings instruments increased by more than 5.0% in the first quarter of the ongoing fiscal year compared to that of the previous fiscal.
- The net sales of savings tools in the last three months had already exceeded more than 50% of the target set by the government for the current fiscal year.
- Net sales of savings tools were BDT 134.12 billion in the July-September period of fiscal year (FY) 2018-19,

according to the data available with Department of National Savings (DNS).

- The current fiscal year's target for net borrowing from savings instruments was set at BDT 261.97 billion, the data showed.

<http://today.thefinancialexpress.com.bd/public/last-page/govt-borrowing-from-savings-tools-up-50pc-in-q1-1541699950>

### **Malaysia hiring cost set at BDT 40,000**

- The cost of migration for Malaysia-bound Bangladeshi workers has been set at about BDT 40,000 each, four times less than earlier.
- Under the online system of 'Sistem Pengambilan Pekerja Asing (SPPA) of the G-to-G plus deal, the government fixed the migration cost for a worker at BDT 160,000.
- In the proposed migration system, the employers will bear Malaysian Ringgit (RM) 5,525 (BDT 110,000) to hire each worker.

<http://today.thefinancialexpress.com.bd/public/first-page/malaysia-hiring-cost-set-at-BDT-40000-1541699408>

### **Internet penetration slows in 4G era**

- The growth of internet in the first nine months of the year has been the lowest in three years despite the roll out of the faster 4G mobile data service in February.
- Between the months of January and September, 10.7 million active internet connections were added, down 15.08% from a year earlier, according to a report of the Bangladesh Telecommunication Regulatory Commission published on Thursday. With the new additions, the total number of active internet connections at the end of September was 91.2 million. Of them, 93.63% are using mobile internet and 6.29% fixed broadband.

<https://www.thedailystar.net/business/telecom/news/internet-penetration-slows-4g-era-1658194>

### **Three contracts with Russia by December next year**

- The government is eyeing three contracts with Russia regarding Rooppur Nuclear Power Plant (NPP) lifecycle services by December 2019 to smoothly implement the project.
- They are nuclear fuel supply contract, service contract for operation technical support, maintenance and repair, and contract for spent nuclear fuel management.
- Top officials of Bangladesh and Russia agreed to sign the 'nuclear fuel supply deal' by December 2018 and 'service contract for operation technical support, maintenance and repair' by first quarter of 2019.
- The 'contract for spent nuclear fuel management' will be inked by the end of December 2019.

<http://today.thefinancialexpress.com.bd/first-page/three-contracts-with-russia-by-dec-next-year-1541868848>

### **Not all brokers jumping at tax waiver**

- Some 21% of the stockbrokers do not want to invest the amount they got from the Chinese consortium in the stock market, preferring instead to pay the 15% capital gains tax.
- The 250 stock brokers of the Dhaka Stock Exchange got BDT 9.6 billion by selling 25% stake, or 450.9 million shares, to the consortium of the Shanghai Stock Exchange and the Shenzhen Stock Exchange.
- Of the amount, BDT 150.0 million has been deducted as stamp duty, leaving BDT 9.5 billion for the stock brokers.
- At present, the tax on the profits made from the sell-off of an asset like stocks, bond and so on is 15%.
- If the stock brokers plough back the amount they received from the Chinese consortium into the stock market and lock it down for at least three years, the capital gains tax for them would be 5%.
- So far, 186 of the stock brokers have received their amounts from the stake sell-off and 39 do not want to lock down their windfall in the stock market.
- This means, almost BDT 1.4 billion of the proceeds from the stake sell-off will not come back to the market.

<https://www.thedailystar.net/business/news/not-all-brokers-jumping-tax-waiver-1658764>

### **One-third life insurance claims unsettled: Insurance Development and Regulatory Authority (IDRA)**

- Some 33% life insurance claims in Bangladesh remain unsettled thanks to weak financial health and lack of governance, and in the process erode people's trust in insurers.
- Of the total insurance claims of BDT 27.60 billion of the 32 life insurance companies as of March, 67% were settled, according to an evaluation report of the Insurance Development and Regulatory Authority (IDRA). The remaining claims of BDT 9.14 billion have remained unsettled.
- Some 11 companies were blamed for the low settlement rate: BAIRA Life, Golden, Homeland, Meghna, MetLife, Progressive, Rupali, Padma Islami, Sunlife, Sunflower and Fareast Islami Life Insurance.
- American MetLife, which dominates the insurance sector with a 39.27% market share, has the highest rate of unsettled claims: 46%. As of March, the company has unsettled claims amounting to BDT 31.06 billion.
- A huge amount of unsettled claims pushed owners of Padma Islami Life Insurance to sell their shares to S Alam Group, which recently bought 45% stake into the company. Its claim settlement rate was 82%, with BDT 0.28 billion in unsettled claims.

<https://www.thedailystar.net/business/global-business/news/russia-clashes-western-oil-buyers-over-new-deals-1658752>

### **Bangladesh Submarine Cable Company Ltd downgraded to B category**

- Dhaka Stock Exchange yesterday downgraded Bangladesh Submarine Cable Company Ltd to "B" category as the company has approved 5% dividend last year.
- To remain in "A" category, every company has to declare at least 10% dividend every year.
- Stock brokers and merchant bankers have also been requested to abstain from providing loan facilities for the purchase of the company's share in the first 30 trading days after the change of categorization, with effect from November 11.

<https://www.thedailystar.net/business/news/bsccl-downgraded-b-category-1658191>

### **Most of mutual funds suffer profit fall in FY18**

- Profits of most of the closed-end mutual funds declined in the financial year of 2018 compared with that in the previous financial year due to a bearish trend at the market.
- Out of the 30 mutual funds, earnings per unit of 21 mutual funds declined while EPU of nine mutual funds advanced in the year of 2018.
- Experts said the capital market was mostly bearish in the second half (January-June) of FY 2017-18 that affected the mutual funds' profits.

<http://www.newagebd.net/article/55554/most-of-mutual-funds-suffer-profit-fall-in-fy18>

### **ADN Telecom's cut-off price fixed at BDT 30**

- The cut-off price of ADN Telecom's shares has been fixed at BDT 30 each, as discovered by institutional investors through electronic bidding under the book-building method.
- ADN Telecom, the IT and telecommunication service provider, will raise capital worth BDT 570 million under the book building method.
- The eligible investors proposed prices between BDT 15 and BDT 45 during the period. Then the cut-off price was set at BDT 30 each, according to the Dhaka Stock Exchange (DSE) website.
- The offer period for eligible investors will start at 10:30am on November 11 and continue until 10:30am on November 12 (round the clock).
- The company will utilise the IPO (initial public offering) fund to develop infrastructure, establish a data centre, repay bank loans and bear the IPO expenses.
- As per the financial statement for the year ended on June 30 last year, the net asset value (NAV) per share was BDT

16.13. The basic EPS (earnings per share) and adjusted EPS were BDT 2.52 and BDT 2.36 respectively. The weighted average EPS stood at BDT 1.81.

<http://today.thefinancialexpress.com.bd/public/stock-corporate/adn-telecoms-cut-off-price-fixed-at-BDT-30-1541698726>  
<https://www.thedailystar.net/business/news/cut-price-adn-set-BDT-30-1658188>  
<https://www.dhakatribune.com/business/stock/2018/11/09/adn-telecom-ipo-cut-off-price-fixed-at-BDT-30>

**World Stock and Commodities\***

<b>Index Name</b>	<b>Close Value</b>	<b>Value Change</b>	<b>% Change</b>
Crude Oil (WTI)*	\$60.19	-0.48	-0.79%
Crude Oil (Brent)*	\$70.18	-0.47	-0.67%
Gold Spot*	\$1,209.65	-14.35	-1.17%
DSEX	5259.11	16.90	0.32%
Dow Jones Industrial Average	25,989.30	-201.92	-0.77%
FTSE 100	7,105.34	-35.34	-0.49%
Nikkei 225	22,250.25	-236.67	-1.05%

**Exchange Rates**

USD 1 = BDT 83.57\*

GBP 1 = BDT 108.41\*

EUR 1 = BDT 94.74\*

INR 1 = BDT 1.15\*

\*Currencies and Commodities are taken from Bloomberg.

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