

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.

Bangladesh Bank (BB) sells USD 95.0 million to banks in two days

- The central bank has strengthened its foreign currency support to the commercial banks to settle their import payment obligations particularly for fuel-oils.
- As part of the move, Bangladesh Bank (BB) sold USD 95.0 million directly to the commercial banks in last two days to meet the growing demand for the greenback in the market.
- On Wednesday, USD 45.0 million was sold to three banks, while the remaining USD 50.0 million was provided to four state-owned commercial banks.
- Import of petroleum products rose by 78.62% to USD 1.1 billion in the first three months of the present fiscal year (FY), 2018-19, from USD 597.8 million in the same period of the previous fiscal.
- The rising trend in fuel-oil import may continue in the coming months following diversified use of the gasoline products, particularly for power generation.
- On the other hand, the exchange rate of Bangladesh taka (BDT) depreciated slightly against the USD (USD) on Tuesday, despite the central bank's foreign currency support to the commercial banks. The local currency depreciated by three poisha in the inter-bank foreign exchange market on the day, mainly due to higher demand for the greenback.
- The USD was quoted at BDT 83.88 each in the inter-bank foreign exchange market on Tuesday against BDT 83.85 of the previous working day. It remained unchanged at BDT 83.88 on Wednesday.

<http://today.thefinancialexpress.com.bd/first-page/bb-sells-95m-to-banks-in-two-days-1542218187>

Foreign direct investment (FDI) picking up, but slowly

- Foreign direct investment in Bangladesh rose only 5.11% in fiscal 2017-18 from a year earlier -- the progress being slow because of inadequate infrastructure and poor ranking in the World Bank's Ease of Doing Business index.
- Bangladesh ranked 176 out of 190 countries in the World Bank's Ease of Doing Business index this year, the lowest ranking for a South Asian nation.
- Last fiscal year, net FDI stood at USD 2.58 billion in contrast to USD 2.45 billion a year earlier, according to the central bank.
- The country's FDI to GDP ratio has been hovering below 1% for long but its peers like Vietnam, China, India and Cambodia have more than 2%.
- Bangladesh is yet to become an investment destination for foreigners due to its poor governance, unavailability of energy supply, infrastructure deficits, corruption, political uncertainty and concerns over security. The power sector saw the highest inflows in fiscal 2017-18 of USD 589.0 million, followed by textile at USD 459.0 million and banking at USD 321.0 million.

<https://www.thedailystar.net/business/news/fdi-picking-slowly-1660810>

Bangladesh Fund to attract investors

- The fund manager of the country's largest ever open-end fund-- Bangladesh Fund-- has continued its efforts to make the fund lucrative to ensure attractive dividend.
- ICB Asset Management Company Limited (AMCL), the fund manager of the Bangladesh Fund, has sought the support of finance ministry to increase the size of the fund.
- After the 2010-11 stock market debacle, the state-run Investment Corporation of Bangladesh (ICB) floated the Bangladesh Fund with an objective of stabilizing the capital market along with declaring attractive dividend to the unit holders.
- According to the managing director of ICB AMCL, the purchase of the units of the Bangladesh Fund is yet to be up to the mark as investors prefer ICB's other mutual funds having better dividend pay outs. He also added that, the dividend payout of Bangladesh Fund will be satisfactory if the size of the fund is increased gradually. He also blamed wrong

doings executed by fund managers behind investors' poor interest to overall mutual fund industry.

- The initial size of Bangladesh Fund was fixed BDT 50.0 billion and the size of the fund stood at only BDT 17.8 billion as of June 30, 2018.

<http://today.thefinancialexpress.com.bd/stock-corporate/bangladesh-fund-to-attract-investors-1542212617>

Banglalink's revenue falls

- Banglalink's revenue has decreased 5.8% year-on-year to BDT 11.0 billion in the July-September quarter, reads a report of the operator's parent company Veon.
- However, the third largest mobile operator remains satisfied, saying they were witnessing a return of business in the last couple of months following the purchase of 10.6 MHz spectrum in February.
- Once a spirited operator, Banglalink was progressively becoming a bit-part player, with its revenues declining for the seventh consecutive quarter to reach BDT 10.7 billion in the first quarter of this year.
- Though turning around with their new spectrum, the operator was yet to fully recover as the revenue declined 8.3% year-on-year to BDT 32.7 billion in the first nine months of this year, reads the financial statement.
- Banglalink said they were happy with their bounce-back performance as the result of July-September quarter demonstrates movement in a positive direction with an overall revenue growth of 1.9% compared to the immediate past quarter.
- The customer base grew 2.8% year-on-year to 32.3 million this quarter, supported by improved distribution and network availability, notwithstanding the intense pricing pressure in the market, they said.
- However the pricing pressure caused a drop in average revenue per user by 9% year-on-year this quarter to BDT 110.

<https://www.thedailystar.net/business/news/banglalinks-revenue-falls-1660807>

More investment needed for higher growth: International Chamber of Commerce-Bangladesh (ICCB)

- International Chamber of Commerce-Bangladesh said that accelerated investment was a prerequisite for higher growth in the country.
- Bangladesh has to explore alternative sources of funding to meet the shortfall of fund for investment, the chamber said.
- It is estimated that Bangladesh needs investment of more than USD 600 billion for infrastructure development while the country can manage around USD 400 billion, according to the editorial of the ICCB News Bulletin (July-September).
- The private sector investment is a precondition for attracting foreign direct investment as the foreign investors would also like to see increased commitment of the private sector, improved infrastructure facilities as well as better facilities and proactive government agencies.
- Referring to the latest ranking of the country in the Ease of Doing Business Index of World Bank, ICCB said that it was the utmost importance for the country to take all-out efforts to improve the index to attract foreign direct investment (FDI) as well as private sector investment.
- It also said that development of planned special economic zones and establishment of one-stop service for investors would hopefully attract higher FDI and private investments.

<http://www.newagebd.net/article/56069/more-investment-needed-for-higher-growth-iccb>

Bangladesh Securities and Exchange Commission (BSEC) works out four-point formula

- Securities regulator has prepared a four-point formula for boosting institutional investments in bourses.
- The formula includes addition of certain provisions to the Bank Companies Act to help increase contribution of major institutional investors like banks to the capital market, creation of scope for investment of pension, life and other funds in securities and fiscal incentives for investment of provident funds in the capital market.
- The commission suggested offering tax and other kinds of incentives to encourage investment of private sector provident funds in the bourses.

- Officials said the capital market watchdog proposed offering incentives to individuals to encourage them to invest in mutual funds through systematic investment plan, which ultimately will be transformed into institutional investment.

<http://today.thefinancialexpress.com.bd/first-page/bsec-works-out-four-pt-formula-1542217970>

United Power to acquire 99% stake of United Energy

- The board of directors of United Power Generation & Distribution Company has decided to acquire 99% stake of United Energy, a sister concern of the United Group.
- United Power will acquire the said amount of stake at face value.
- United Energy is also a power generation company established under the private sector power generation policy of Bangladesh. It is operating two power plants -- 53 MW at Ashuganj and 28 MW at Sylhet respectively, said the disclosure.
- United Energy also has equity (92.41%) investment in the United Ashuganj Energy (UAEL), a company having generation capacity of 195 MW power (Gas Based) located at Ashuganj in Brahmanbaria. United Ashuganj Energy is a PPP (Public Private Partnership) project having a fixed term of 15 years from 2015.
- Besides, some Arab countries have taken a move to create job opportunities for their own people, according to officials and workers. So the job prospect has been squeezed there, they said, adding that many of the workers are forced to come back home after losing their jobs.

<http://today.thefinancialexpress.com.bd/stock-corporate/united-power-to-acquire-99pc-stake-of-united-energy-1542212568>

Delta Brac Housing Finance Corporation's (DBH) home loan portfolio crosses BDT 100.0 billion

- Delta Brac Housing Finance Corporation (DBH) has crossed the milestone of disbursing home loans of BDT 100.0 billion, which is the highest among all lenders in Bangladesh.
- According to the managing director of DBH, this portfolio is the highest among all banks and non-bank financial institutions in the country. He also added that the home loans together with clients' own equity contribution of equivalent amount helped DBH bring investment of more than BDT 200.0 billion in the housing and real estate sector.
- DBH, which is an international joint venture financial institution, has emerged as the largest and only specialized housing finance institution in the private sector. The company is the market leader, both in terms of annual home loan disbursements and housing loan portfolio.

<https://www.thedailystar.net/business/news/dbhs-home-loan-portfolio-crosses-BDT-10000cr-1660792v>

World Stock and Commodities*

Index Name	Close Value	Value Change	% Change
Crude Oil (WTI)*	\$55.97	-0.28	-0.50%
Crude Oil (Brent)*	\$65.84	-0.28	-0.42%
Gold Spot*	\$1,210.79	-0.09	-0.01%
DSEX	5245.59	-13.00	-0.25%
Dow Jones Industrial Average	25,080.50	-205.99	-0.81%
FTSE 100	7,033.79	-19.97	-0.28%
Nikkei 225	21,780.44	-66.04	-0.30%

Exchange Rates

USD 1 = BDT 83.77*

GBP 1 = BDT 108.95*

EUR 1 = BDT 94.92*

INR 1 = BDT 1.16*

**Currencies and Commodities are taken from Bloomberg.*

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