

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.

Export earnings from India skyrocket by 142% in first quarter

- Country's export earnings from neighboring India posted a whopping 142% growth in the first quarter of the current fiscal year while the earnings from two major export destinations the USA and Germany also registered sizable growth. The readymade garment exports mainly drove the earnings growth in these countries in July-September of the financial year of 2018-2019, according to Export Promotion Bureau data.
- Growth in export earnings from two major Asian countries Japan and China also turned around in the period after experiencing frustrating performances in last few months.
- Export earnings from India grew to USD 375.0 million in the first three months of the current fiscal year from that of USD155 million in the same period of last fiscal year (2017-2018). RMG export to India alone witnessed a 167% growth with USD145.11 million earnings in the period than that of USD54.31 million in the same period of last year. Export of edible oils to the country also rose significantly to USD98.0 million from USD5.0 million, the EPB data showed.
- Exporters said that ongoing trade war between the US and China created an additional demand for Bangladeshi apparel products in the US market contributing higher growth while growth in Germany was a continuation of previous year's better performance of RMG makers in the market. On the other hand, export earnings from India witnessed a remarkable growth as Western and Indian clothing brands set up a good number of stores in India and raised procurement from Bangladesh.

<http://www.newagebd.net/article/52866/export-earnings-from-india-skyrocket-by-142pc-in-q1>

Anonymous transaction biggest loophole: Bangladesh Institute of Bank Management

- Anonymous transaction is the "biggest loophole" in tackling money laundering through mobile payment in Bangladesh, a new survey on the bankers has revealed. Improper KYC (Know Your Client) by agents is the main reason behind such anonymous transactions, which are triggering such money laundering, said the survey conducted by Bangladesh Institute of Bank Management (BIBM).
- According to Professor and Director of BIBM, new payment systems are opening new avenues for money laundering. He also said that alongside remarkable benefits, expansion of MFS has resulted in numerous instances of abuse. This became particularly visible during the mass abuse of MFS platforms for illegal remittances last year.
- The study found that almost 67% of the bankers identified anonymous transactions as the biggest money laundering vulnerability in MFS. However, the selection of agents is also one of the determining factors in such instances.
- There is a lack of coordination among various relevant entities. At the same time, the lack of awareness about the latest technology is also a major challenge. The biggest challenge for the public sector entities including NBR is the lack of willingness to adopt new technology, said First Secretary of the National Board of Revenue (NBR). There should also be greater coordination between NBR and Bangladesh Bank to prevent money laundering and tax evasion.

<http://today.thefinancialexpress.com.bd/last-page/anonymous-transaction-biggest-loophole-bibm-1539192976>
<https://www.thedailystar.net/business/news/anonymous-transaction-mobile-raises-risks-study-1645480>

USD 100 million BIMSTEC Development Fund on the cards

- The member states of regional trade bloc Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation are set to establish a fund for research, planning and financing development projects. At the initial stage the fund styled 'BIMSTEC Development Fund (BDF)' will be worth USD 100 million.
- The fund will be set up with voluntary contributions from the member states. Bangladesh, Bhutan, India, Myanmar, Nepal, Sri Lanka and Thailand joined hands with an express aim to boost economic cooperation for mutual gains.

<http://today.thefinancialexpress.com.bd/last-page/100m-bimstec-dev-fund-on-the-cards-1539193070>

Tax from biggies BDT 3.0 billion short of target in first quarter

- Tax collection by the National Board of Revenue (NBR) from financial institutions fell short of the target by BDT 3.0-billion in the first quarter (Q1) of the current fiscal year (FY). The shortfall to 2.5 % cut in corporate tax for banks, non-banking financial institutions, insurance and leasing companies in the national budget for FY 2018-19. The LTU has received taxes worth BDT 34.9 billion against the target of BDT 37.8 billion set for the quarter. The unit collected BDT

32.2 billion in the corresponding period in FY '18.

- For FY '19, finance ministry has set a BDT 215.0 billion target for the LTU, representing a 27% growth in revenue earning. Officials felt that the target is ambitious as there is little scope to extract more taxes from the large taxpayers. They said the LTU has to focus on realizing a large sum of tax arrears pending with the court cases. Roughly BDT 125.0 billion income tax remains stuck up with the court cases filed by banks and mobile phone operators.

<http://today.thefinancialexpress.com.bd/first-page/tax-from-biggies-BDT-30b-short-of-target-in-q1-1539192623>
<http://www.newagebd.net/article/52867/nbr-corporate-tax-receipt-short-of-q1-target-on-rate-cut>

Mobile users lodge 1,496 complaints with regulator in 3 months

- Subscribers of the mobile phone operators lodged 1,496 complaints with Bangladesh Telecommunication Regulatory Commission in the July-September period this year regarding different problems they faced after they failed to get any remedy for their grievances from their respective operators. The issues of complaints included customers' dissatisfaction over network coverage, data package and volume offered by the mobile operators Grameenphone, Robi, Banglalink and state-owned Teletalk.
- A total of 364 complaints were about SIM block, 306 issues about network problem, 144 issues about different tariffs, 121 issues about social media and cyber security and 52 issues about value-added services. Besides, the number of data volume and speed-related complaints were 49 and 46 respectively while SMS and poor coverage drew 47 and 32 complaints respectively. Victims of fraudulent activities via mobile phones submitted 17 complaints to the commission seeking remedy. Of the 1,496 complaints, 1,366 issues have already been resolved and 130 issues are in process of resolution.

<http://www.newagebd.net/article/52868/mobile-users-lodge-1496-complaints-with-regulator-in-3-months>

Investment Corporation of Bangladesh plans to inject fresh funds into stock market

- The Investment Corporation of Bangladesh (ICB) has planned to inject fresh funds into the capital market to keep the market stable ahead of the upcoming general election. Under the move, the state-run investment agency is now working to collect funds worth BDT 20.0 billion through issuing its subordinate bonds shortly.

The fund will be available for investment by the end of this month. The money that will be received through issuing the bonds will help reduce their cost of fund. ICB will invest more in the share market in line with the market requirement.

On the other hand, all scheduled banks are now exempted from complying with the relevant section of existing Banking Companies Act (BCA) for investing in the ICB's subordinate bonds. Currently, the banks are allowed to invest maximum 25 % of their total capital in share market on solo basis in line with BCA (Amended) 2013.

Bangladesh Securities and Exchange Commission (BSEC) approved the ICB's proposal for issuing bond. The tenure of the ICB's non-convertible and fixed rate bond will be seven years. The bond will be fully redeemable, unsecured and unlisted.

<http://today.thefinancialexpress.com.bd/last-page/icb-plans-to-inject-fresh-funds-into-stock-mkt-1539193029>
<https://www.thedailystar.net/business/news/bb-encourages-investment-icb-bond-1645465>
<http://www.newagebd.net/article/52872/investment-of-banks-in-icb-bond-exempted-from-stock-exposure-tally>

Bangladesh Securities and Exchange Commission chief warns of scrapping Initial Public Offering quota

- Chairman of the securities regulator has warned different eligible investors (EIs) of 'scrapping' their IPO (initial public offering) quota if they fail to carry out stipulated roles. He said that he IPO quota will be scrapped if the EIs quote unjustified price in determining the cut-off price of shares of a company which is allowed to go public under book building method.
- The chairman also warned the stockbrokers of scrapping their IPO quota if the fund of consolidated customers' account is set aside for their (brokers) own investment. He also added that a merchant bank, also the issue manager, will not be entitled to the quota facility if it fails to bring two IPOs in one year and also warned that the license of an asset manager will also be cancelled if it does not carry out due role as per the securities rules.
- Under the book building method, the securities regulator has kept 60 % quota for the EIs like banks, financial institutions, and asset management companies. The general investors, including non-resident Bangladeshis (NRBs), are allowed to avail the remaining 40 % IPO quota. Under the fixed price method, the EIs are entitled to 50 % IPO quota, while remaining 50 % quota is kept for the general investors, including NRBs.

<http://today.thefinancialexpress.com.bd/stock-corporate/bsec-chief-warns-of-scrapping-ipo-quota-1539191553>

<https://www.thedailystar.net/business/news/regulator-go-tough-institutional-investors-1645507>

Silva Pharma share jumps 190% on debut trading

- Silva Pharmaceuticals made a flying trade debut on Wednesday as its share price jumped 190 % on the first day of trading. The share traded between BDT 28.1 and BDT 38 each on the Dhaka Stock Exchange (DSE), before closing at BDT 29 each, soaring 190%, from the issue price of BDT 10 each.

- It also featured in the top ten turnover chart on the prime bourse with more than 7.2 million shares worth nearly BDT 214 million changing hands. On the Chittagong Stock Exchange (CSE), its share price soared 184% to close at BDT 28.4 each. Some 1.8 million shares worth BDT 53.9 million changing hands in the port city's bourse.

<http://today.thefinancialexpress.com.bd/stock-corporate/silva-pharma-share-jumps-190pc-on-debut-trading-1539191665>

<https://www.thedailystar.net/business/news/silva-pharma-rises-199pc-debut-1645468>

World Stock and Commodities*

Index Name	Close Value	Value Change	% Change
Crude Oil (WTI)*	\$72.14	-1.03	-1.41%
Crude Oil (Brent)*	\$81.84	-1.25	-1.50%
Gold Spot*	\$1,192.83	-1.96	-0.16%
DSEX	5436.15	-19.66	-0.36%
Dow Jones Industrial Average	25,598.74	-831.83	-3.15%
FTSE 100	7,145.74	-91.85	-1.27%
Nikkei 225	22,589.29	-916.75	-3.90%

Exchange Rates

USD 1 = BDT 84.70*
 GBP 1 = BDT 112.05*
 EUR 1 = BDT 97.91*
 INR 1 = BDT 1.14*

*Currencies and Commodities are taken from Bloomberg.

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