

Capital Market Overview

The market closed in red this week. The benchmark index DSEX (-1.28%) lost 57.61 points and closed the week at 4,456.84 points. The blue-chip index DS30 (-2.24%) lost 34.65 points and stood at 1,513.47 points. The Shariah-based index DSES (-1.88%) lost 19.11 points and stood at 997.48 points. DSEX, DS30 and DSES all posted negative YTD return of 17.25%, 19.53%, and 19.09%, respectively.

Total Turnover During The Week (DSE): BDT 11.2 billion (USD 134.6 million)
Average Daily Turnover Value (ADTV): BDT 2.8 billion (Δ% Week: -11.1%)

Market P/E: 12.84x

Daily Index Movement during the Week:

The market performed four sessions during this week. Market opened this week with a negative movement of 0.35% in the first session and continued the negative trend in the second and third sessions by -1.75% and -0.04%, respectively. The market turned around in the fourth session to end the week in a positive movement of 0.88%.

Sectoral Performance:

- The financial sectors showed mixed performance during this week. Life Insurance booked the highest gain of 3.80% followed by General Insurance (+0.49%). NBFIs experienced the highest loss of 1.98% followed by Mutual Funds (-0.58%) and Banks (-0.46%).
- All the non-financial sectors posted negative performance during this week. Pharmaceuticals experienced the highest loss of 2.21% followed by Engineering (-1.95%), Power (-1.83%), Food & Allied (-1.80%), and Telecommunication (-1.21%).

Macroeconomic arena:

- BDT appreciated by 2 paisa against USD on Wednesday after nearly 3 years in the inter-bank forex market. Dollar was quoted at BDT 84.88 per unit on the day against BDT 84.90 of the previous working day. Remittance inflow rose by 22.6% to USD 7.7 billion from Jul to Nov of FY'20 from USD 6.3 billion last year. Import fell by 3% to USD 18.1 billion from Jul to Oct of FY'20 from last fiscal's USD 18.7 billion.
- The government has almost exhausted its net borrowing target for FY'20 from the banking system in 5 months (Jul-Nov) with net borrowing reaching BDT 471.4 billion. Its outstanding borrowing from the banking sector increased to BDT 1.6 trillion on Dec 9 this year from BDT 1.1 trillion on Jun 30 this year. Private sector credit growth in Oct dropped to a 9-year low of 10.04%.
- The line ministries spent BDT 413.87 billion from July to November, which is 19.24% of the the Annual Development Programme (ADP) allocation. The utilization was 20.15% during the same period last fiscal year when BDT 364.38 billion was spent. Foreign aid use fell 14.52% in the 5-month period. Between July and November, BDT 110.87 billion was utilized, which is 15.44% of the total foreign aid allocation. At this point last year, foreign aid utilization was BDT 129.71 billion, which was 21.62% of the allocation in 2018-19. Spending from the government's own coffers rose 37.89% year-on-year to BDT 292.54 billion from July to November. The expenditure was 22.34% of the allocation from its own source.
- Deposit growth in the country's banking sector hit a 30-month high of 12.19% in October this year. Deposits in the banking sector stood at BDT 11.06 trillion in October of FY20, increasing by BDT 1.2 trillion from BDT 9.86 trillion at the end of October of FY 2018-19.

Stock Market arena:

- The Ministry of Finance (MoF) has sought opinions from the central bank and the securities regulator on a loan amount of BDT 100 billion sought by stock brokers to shore up the moribund stock market.
- Fund raising by companies through IPOs declined by 14% in 2019 compared with that in the previous year. Only 8 companies raised BDT 5.52 billion while 13 companies and a mutual fund raised BDT 6.46 billion in the previous year. The current commission has so far approved IPOs of around 90 companies since 2011 and the DSE raised reservations about 60 of them. Fund raising through issuing rights shares sank further in 2019 as 1 company collected BDT 899.3 million while 2 companies had collected BDT 2.69 billion in 2018.

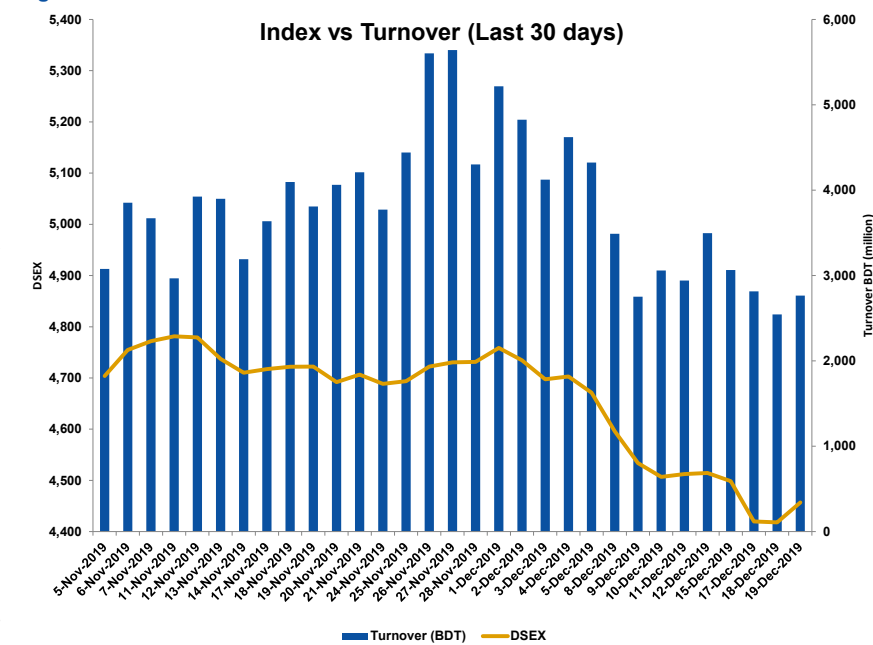
Table 1: Index

| Index | Closing | Opening | Δ(Pts) | 27-Dec- | Δ% Week | Δ%YTD |
|-------|----------|----------|--------|----------|---------|---------|
| DSEX | 4,456.84 | 4,514.45 | -57.61 | 5,385.64 | -1.28% | -17.25% |
| DS30 | 1,513.47 | 1,548.12 | -34.65 | 1,880.78 | -2.24% | -19.53% |
| DSES | 997.48 | 1,016.60 | -19.11 | 1,232.82 | -1.88% | -19.09% |

Table 2: Market Statistics

| | | This Week | Last Week | %Change |
|------------------------|-----------|--------------|--------------|---------|
| Mcap | Mn BDT | 13,583,413.4 | 17,225,318.0 | -21.1% |
| | Mn USD | 163,399.7 | 207,209.4 | |
| Turnover | Mn BDT | 11,189.2 | 15,739.9 | -28.9% |
| | Mn USD | 134.6 | 189.3 | |
| Average Daily Turnover | Mn BDT | 2,797.3 | 3,148.0 | -11.1% |
| | Mn USD | 33.6 | 37.9 | |
| Volume | Mn Shares | 434.7 | 594.8 | -26.9% |

Figure 1: DSEX & Turnover in last four weeks



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Table 3: Top Ten Gainers

| Company Name | Close | Open | Δ% | Mcap (mn) | Vol (mn BDT) | P/E | P/B |
|-------------------------------------|--------|--------|-------|-----------|--------------|--------|-------|
| Progressive Life Ins | 125.80 | 102.90 | 22.3% | 1,618.5 | 102.99 | NM | 12.6x |
| Karnaphuli Insurance | 24 | 20.20 | 18.8% | 1,077.0 | 145.96 | 18.9x | 1.6x |
| Al-Haj Textile Mills Limited | 41.20 | 35.70 | 15.4% | 918.7 | 37.35 | NM | 3.7x |
| Rahim Textile | 268.60 | 234.20 | 14.7% | 2,540.9 | 28.93 | 42.3x | 7.7x |
| Beacon Pharmaceuticals Limited | 42.30 | 36.90 | 14.6% | 9,771.3 | 375.28 | 80.4x | 3.3x |
| Standard Ceramic | 684.90 | 601.30 | 13.9% | 4,424.9 | 252.30 | NM | 54.0x |
| Golden Harvest Agro Industries Ltd. | 21.90 | 19.30 | 13.5% | 4,825.3 | 106.78 | 19.7x | 1.5x |
| Samata Leather | 178.70 | 157.80 | 13.2% | 1,844.2 | 42.27 | 479.0x | 12.4x |
| Sunlife Insurance Company Limited | 18.20 | 16.10 | 13.0% | 650.8 | 3.79 | NM | 1.8x |
| Genex Infosys Limited | 68.00 | 60.30 | 12.8% | 6,381.1 | 266.93 | 22.9x | 4.9x |

Table 4: Top Ten Losers

| Company Name | Close | Open | Δ% | Mcap (mn BDT) | Vol (mn BDT) | P/E | P/B |
|-------------------------------|--------|--------|--------|---------------|--------------|-------|------|
| Ring Shine Textiles Limited | 12.20 | 15.00 | -18.7% | 530.8 | 628.90 | 1.0x | 0.1x |
| Shaympur Sugar | 18.50 | 21.10 | -12.3% | 92.5 | .28 | NM | NM |
| New Line Clothings Limited | 15.50 | 17.40 | -10.9% | 1,159.3 | 112.41 | 14.8x | 0.7x |
| S. S. Steel Limited | 22.10 | 24.70 | -10.5% | 5,956.0 | 103.51 | 8.8x | 1.4x |
| Bangas Ltd. | 147.40 | 163.60 | -9.9% | 1,123.9 | 47.48 | 71.3x | 7.5x |
| Kattali Textile Limited | 11.50 | 12.70 | -9.4% | 1,238.4 | 78.30 | 5.1x | 0.7x |
| Meghna Condensed Milk | 9.60 | 10.60 | -9.4% | 153.6 | 1.05 | NM | NM |
| Shepherd Industries Limited | 26.80 | 29.50 | -9.2% | 4,027.8 | 4.13 | 40.7x | 1.6x |
| CAPM IBBL Islamic Mutual Fund | 8.10 | 8.90 | -9.0% | 541.5 | 6.37 | NM | 0.8x |
| Tallu Spinning | 3.10 | 3.40 | -8.8% | 276.9 | .58 | NM | 0.3x |

Table 5: Top Ten Most Traded Shares

| Company Name | Close | Open | Δ% | Mcap | Vol (mn) | P/E | P/B |
|---|--------|--------|--------|-----------|----------|-------|-------|
| Ring Shine Textiles Limited | 12.20 | 15.00 | -18.7% | 530.8 | 628.90 | 1.0x | 0.1x |
| Beacon Pharmaceuticals Limited | 42.30 | 36.90 | 14.6% | 9,771.3 | 375.28 | 80.4x | 3.3x |
| Genex Infosys Limited | 68.00 | 60.30 | 12.8% | 6,381.1 | 266.93 | 22.9x | 4.9x |
| Standard Ceramic | 684.90 | 601.30 | 13.9% | 4,424.9 | 252.30 | NM | 54.0x |
| Khulna Power Company Limited | 44.80 | 43.00 | 4.2% | 17,804.1 | 248.43 | 13.9x | 1.8x |
| Bangladesh National Insurance Company Limited | 25.90 | 24.80 | 4.4% | 1,146.1 | 228.91 | 15.1x | 1.3x |
| Square Pharmaceuticals | 183.00 | 190.00 | -3.7% | 154,495.7 | 225.39 | 12.0x | 2.3x |
| Northern Insurance | 26.40 | 27.20 | -2.9% | 1,126.2 | 177.29 | 15.9x | 1.3x |
| Sonar Bangla Ins | 39.40 | 39.40 | 0.0% | 1,577.6 | 171.66 | 20.2x | 2.6x |
| Paramount Textile Limited | 57.80 | 57.30 | 0.9% | 8,536.8 | 168.53 | 16.6x | 3.8x |

Table 8: Most Appreciated YTD in BRAC EPL Universe

| Top 10 Most Appreciated Stocks | Close | Δ% YTD | Mcap (mn BDT) | P/E |
|-------------------------------------|----------|--------|---------------|-------|
| Reckitt Benckiser | 3,162.10 | 47.09% | 14,940.9 | 32.8x |
| Marico Bangladesh Limited | 1,655.40 | 37.93% | 52,145.1 | 20.8x |
| Golden Harvest Agro Industries Ltd. | 21.90 | 37.34% | 4,825.3 | 19.7x |
| Glaxo Smithkline | 1,812.40 | 24.98% | 21,833.0 | 75.1x |
| Dutch-Bangla Bank | 70.20 | 21.54% | 35,100.0 | 7.2x |
| Bank Asia Ltd. | 18.70 | 10.93% | 21,802.5 | 8.8x |
| Renata Ltd. | 1,117.00 | 7.63% | 98,954.2 | 25.1x |
| IPDC | 25.30 | 7.57% | 8,941.5 | 14.3x |
| Linde Bangladesh Limited | 1,285.40 | 7.26% | 19,561.6 | 16.5x |
| Berger Paints | 1,401.60 | 4.28% | 65,003.2 | 28.0x |

Table 6: Sector Indices

| Sector Name | Week Close | Week Open | Year Open | %Δ Week | %Δ YTD |
|------------------------|------------|-----------|-----------|---------|---------|
| Banks | 1318.04 | 1324.09 | 1428.63 | -0.46% | -7.74% |
| NBFIs | 1572.34 | 1604.10 | 2087.55 | -1.98% | -24.68% |
| Mutual Funds | 593.25 | 596.72 | 644.52 | -0.58% | -7.95% |
| General Insurance | 1968.55 | 1958.89 | 1488.77 | 0.49% | 32.23% |
| Life Insurance | 2231.25 | 2149.50 | 2251.96 | 3.80% | -0.92% |
| Telecommunication | 4090.58 | 4140.75 | 5088.05 | -1.21% | -19.60% |
| Pharmaceuticals | 2475.84 | 2531.67 | 2698.49 | -2.21% | -8.25% |
| Fuel & Power | 1509.37 | 1537.56 | 1745.15 | -1.83% | -13.51% |
| Cement | 1143.74 | 1192.13 | 1676.63 | -4.06% | -31.78% |
| Services & Real Estate | 898.69 | 917.09 | 1017.99 | -2.01% | -11.72% |
| Engineering | 2248.82 | 2293.47 | 2933.11 | -1.95% | -23.33% |
| Food & Allied | 12225.70 | 12450.39 | 15034.05 | -1.80% | -18.68% |
| IT | 1790.32 | 1723.01 | 1545.46 | 3.91% | 15.84% |
| Textiles | 1039.34 | 1066.09 | 1461.18 | -2.51% | -28.87% |
| Paper & Printing | 5367.95 | 5502.60 | 9105.21 | -2.45% | -41.05% |
| Tannery | 1801.06 | 1822.30 | 2560.38 | -1.17% | -29.66% |
| Jute | 12838.15 | 12581.15 | 21417.92 | 2.04% | -40.06% |
| Ceramics | 471.82 | 470.91 | 579.64 | 0.19% | -18.60% |
| Miscellaneous | 1767.35 | 1788.22 | 1943.42 | -1.17% | -9.06% |

Table 7: Sector Trading Matrix

| Sector Name | Daily average this Week | Daily average last week | % Change | % of Total Turnover | P/E | P/B |
|------------------------|-------------------------|-------------------------|----------|---------------------|--------|------|
| Banks | 178.6 | 259.1 | -31.07% | 6.61% | 7.1x | 0.8x |
| NBFIs | 99.8 | 143.1 | -30.23% | 3.69% | 76.4x | 1.9x |
| Mutual Funds | 62.9 | 276.2 | -77.21% | 2.33% | NM | 0.5x |
| General Insurance | 474.7 | 503.5 | -5.73% | 17.57% | 14.2x | 1.3x |
| Life Insurance | 81.6 | 47.8 | 70.70% | 3.02% | NM | 9.2x |
| Telecommunication | 36.2 | 137.1 | -73.59% | 1.34% | 11.6x | 8.5x |
| Pharmaceuticals | 328.1 | 408.8 | -19.75% | 12.14% | 16.9x | 2.2x |
| Fuel & Power | 148.8 | 262.9 | -43.38% | 5.51% | 9.7x | 1.7x |
| Cement | 40.8 | 16.7 | 143.86% | 1.51% | 21.9x | 2.1x |
| Services & Real Estate | 24.0 | 34.0 | -29.37% | 0.89% | 108.5x | 0.7x |
| Engineering | 294.7 | 521.0 | -43.44% | 10.91% | 13.3x | 1.3x |
| Food & Allied | 95.0 | 92.3 | 2.86% | 3.52% | 23.4x | 6.9x |
| IT | 117.6 | 64.0 | 83.75% | 4.35% | 21.2x | 2.7x |
| Textiles | 441.4 | 284.1 | 55.33% | 16.34% | NM | 0.7x |
| Paper & Printing | 20.9 | 10.9 | 91.15% | 0.77% | 303.5x | 1.4x |
| Tannery | 49.5 | 108.1 | -54.19% | 1.83% | 21.9x | 2.0x |
| Jute | 10.8 | 23.2 | -53.27% | 0.40% | NM | 5.9x |
| Ceramics | 83.4 | 147.6 | -43.47% | 3.09% | 24.2x | 1.8x |
| Miscellaneous | 112.6 | 176.7 | -36.25% | 4.17% | 19.7x | 1.0x |

Table 9: Least Appreciated YTD in BRAC EPL Universe

| Top 10 Least Appreciated Stocks | Close | Δ% YTD | Mcap (mn BDT) | P/E |
|---|--------|---------|---------------|-------|
| IFAD Autos Limited | 45.50 | -58.03% | 11,283.6 | 12.9x |
| Shasha Denim Limited | 24.40 | -57.65% | 3,277.4 | 14.8x |
| Heidelberg Cement | 161.90 | -51.63% | 9,147.9 | 57.7x |
| Active Fine Chemicals Limited | 14.40 | -48.94% | 3,455.1 | 5.1x |
| M.I. Cement Factory Limited | 37.90 | -45.39% | 5,628.2 | 21.1x |
| Envoy Textiles Limited | 21.90 | -39.67% | 3,673.4 | 7.7x |
| Bata Shoe | 673.70 | -39.65% | 9,216.2 | 19.1x |
| Confidence Cement | 100.00 | -35.90% | 7,450.9 | 16.4x |
| BBS Cables Limited | 56.30 | -35.69% | 9,828.3 | 6.7x |
| Bangladesh Steel Re-Rolling Mills Limited | 50.70 | -35.17% | 11,968.7 | 6.9x |

Important News: Business & Economy

The UN Economic and Social Commission for Asia and the Pacific (ESCAP) sees Bangladesh's positive trade growth in 2019

- Despite sluggish merchandise exports from Bangladesh in the outgoing year 2019, a United Nations (UN) body forecasts positive annual export growth for the country. The UN Economic and Social Commission for Asia and the Pacific (ESCAP) made the projections in its latest Asia-Pacific Trade in Goods Trends and Outlooks. According to the ESCAP, exports from Bangladesh would rise by 9.10% in value and 6.30% in volume in 2019. The outlook, released on Wednesday, also cited that goods imports to Bangladesh would increase by 5.80% in value and 6.10% in volume. The ESCAP said only Vietnam would register higher growth in trade than Bangladesh. Exports of Vietnam are anticipated to rise by 7.70% and import by 9.40% in volume.
- Citing the shrinkage of the Asia-Pacific trade, it said trade is declining in both value and volume in the region for the first time since the 2009 global economic crisis. The total export volume fell by 2.5% and import by 3.5%, the report revealed. In addition, an overall lower price level pushed trade value down further to record 3.60% and 4.80% contractions of exports and imports, it said. In 2018 and 2019, the ESCAP said, trade performance in Asia and the Pacific followed the global trend, slowing down from the second half of 2018 onwards.

<https://today.thefinancialexpress.com.bd/first-page/escap-sees-bds-positive-trade-growth-in-2019-1576691687>

Taka strengthens against dollar

- The local currency appreciated by two paisa against US dollar on Wednesday after nearly three years in the inter-bank foreign exchange (forex) market. Dollar was quoted at BDT 84.88 per unit on the day against BDT 84.90 of the previous working day, according to market operators. Explaining the overall forex market situation, a senior official of Bangladesh Bank (BB) said the exchange of taka against dollar has been fixed in line with the market requirement. The demand for dollar decreased slightly following a higher inflow of remittance and lower import payment obligations recently, the central banker said.
- BB data shows remittance inflow rose by 22.57% to USD 7.71 billion from July to November of fiscal year 2020 from USD 6.29 billion in the same period last year. On the other hand, import expenses maintained a falling trend in recent months mainly due to lower imports of food grains and capital machinery, according to the BB officials. The country's overall import fell by more than 3.0% to USD 18.14 billion from July to October of FY '20 from last fiscal's USD 18.73 billion in the same period.

<https://today.thefinancialexpress.com.bd/last-page/taka-strengthens-against-dollar-1576691931>

Government in bank borrowing spree, takes BDT 471.39 billion in 5 months

- The government has almost exhausted its net borrowing target for the fiscal year of 2019-20 from the banking system in just five months (July-November) with the net borrowing reaching BDT 471.39 billion in the period, leaving a very tiny space for the industrialization-

led job creation. The government has projected to borrow BDT 473.64 billion from the banking sector in the fiscal year.

- According to Bangladesh Bank data, the government's outstanding borrowing from the banking sector increased to BDT 1.55 trillion on December 9 this year from BDT 1.08 trillion on June 30 this year. Private sector credit growth, a determining factor of the country's industrial expansion, in October dropped to a fresh a nine-year low of 10.04% against the Bangladesh Bank's projection for a cautious 14.8% growth in FY20.
- In July-October of FY20, the National Board of Revenue managed to collect only BDT 650.96 billion with 4.33% year-on-year growth against BDT 853.17 billion revenue collection target for the period. On the other hand, the net sales of NSCs, another source of borrowing for the government to meet budget deficit, dropped by 69.08% or BDT 123.17 billion to BDT 55.12 billion in July-October of FY20 against BDT 178.29 billion in the same period of FY19.
- In the fiscal budget for FY20, the government has planned to borrow BDT 638.48 billion from overseas sources and the rest BDT 773.63 billion from domestic ones to meet BDT 1.45 trillion deficit financing. The government's bank borrowing trend in the five months (July-November) of this fiscal year indicates that its actual borrowing in the entire fiscal year might exceed BDT 1 trillion as 85% of the government's annual development programme is yet to be implemented, economists said. The government's net borrowing from the banking sector was BDT 198.01 billion in the entire fiscal year of 2018-2019 while it repaid BDT 10.73 billion to the banks instead of borrowing from the banks. The government repaid BDT 184.05 billion and BDT 28.51 billion in FY17 and FY18 respectively against its borrowing from the banking sector.

<http://www.newagebd.net/article/93958/govt-in-bank-borrowing-sprees-takes-BDT-47139cr-in-5-months>

National Board of Revenue (NBR) loses revenue as smokers switch cigarette brands

- Collection of value added tax (VAT), which accounts for the lion's share of government revenue, faced major setback in the first quarter as revenue board's strategy to increase earnings from tobacco sector backfired. Smokers are switching cigarette brands from high priced to lower priced after the National Board of Revenue hiked prices of higher tier cigarette brands in June, which caused a loss in revenue collection by the NBR. The revenue board became aware of the strategic error in an internal evaluation of VAT collection situation recently.
- According to NBR finding, the revenue board collected BDT 59 billion from the tobacco sector in the first quarter (July to September) of the current fiscal, down by BDT 10 billion from that of corresponding period of the previous fiscal. The revenue board cited this revenue loss from tobacco sector as a reason for slow growth in VAT collection in the first quarter of the current fiscal.
- The NBR increased the cigarette price by BDT 5 to BDT 18 for a 10-stick packet depending on different tiers on June 13. The NBR had then estimated BDT 70 billion

additional revenue income in the current fiscal from the increased cigarette prices. An NBR Member said it was expected that VAT collection would increase after the rise in cigarette prices but the situation was the other way round. He said the price of the middle tier cigarette, the most consumed category, was increased by 31.25% while the lower tier cigarette price was increased only 5.71%. All of the cigarette companies including British American Tobacco Bangladesh faced a fall in sales of middle tier cigarettes, he informed, adding that the lower tier cigarette sales, on the other hand, increased. But as the revenue from the lower tier cigarette was also low, the overall VAT collection faced a setback, the member said. NBR got BDT 26.27 revenue from a lower-tier 10-stick pack cigarette, while it was BDT 38.88 in middle tier cigarette.

<https://www.dhakatribune.com/business/2019/12/18/nbr-loses-revenue-as-smokers-switch-cigarette-brands>

Finance Minister against devaluation of taka

- Finance Minister ruled out any further devaluation of the local currency saying that it would escalate the cost of development projects and discourage foreign direct investment. He said that there was widespread apprehension that the local currency would be devaluated again to halt the sliding of exports. The Bangladesh Bank has allowed the devaluation of the taka against the US dollar at least twice since October as the local currency lost its value by BDT 0.40.

- The country's exports in the July-October period of the current fiscal year fell by 6.82% to USD 12.72 billion from USD 13.65 billion in the same period of the last fiscal. Finance Minister said that they would specifically provide incentives to the affected sectors instead of devaluing the local currency as recommended by many, including the country's exporters. Referring to the continued withdrawal of funds by foreign investors from the country's share market, he noted that the further devaluation of the taka would discourage them even more.

<http://www.newagebd.net/article/93959/kamal-against-devaluation-of-taka>

USD 50 billion export not achievable by 2021: Bangladesh Garment Manufacturers and Exporters Association (BGMEA) president

- Bangladesh will not be able to export USD 50 billion-worth apparel products by 2021 because of low valuation and declining global trade, according to the President of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA).

- According to World Trade Organization, the world trade forecast took a downward turn to 1.2% for 2019 from a previous 2.6%. The President said RMG's contribution to the GDP was only 11%, which clearly indicated that the value addition was very little. She said the garment sector was going through a very bad time as exports had witnessed negative growth of over 6% in the past five months of the fiscal year.

<https://www.thedailystar.net/business/news/50b-export-not-achievable-2021-bgmea-president-1842268>

Bike, AC, compressor makers get tax benefits till 2032

- The National Board of Revenue (NBR) has extended the reduced tax benefit to the manufacturers of motorcycle, air conditioner and compressors to June 2032 although it doubled the rates. Manufacturers will have to pay 10% tax on their incomes for the years till 2032, up from 5% previously, according to a gazette notification issued by the NBR last week. For the firms that had been enjoying 5% tax prior to the latest move will be able to pay the same rate of tax until the expiry of the initial tenure. And, they will have to apply to the NBR to avail 10% tax benefit, down from 35% regular tax rate for companies, according to the NBR.

- The move comes at a time when seven local and foreign brands of bikes have set up manufacturing facilities and are making the two-wheeler to market locally. Reduced tariff rates for firms to import basic raw materials and semi-finished products of bikes and the value added tax (VAT) benefit for local manufacturing offered by the NBR encouraged enterprises to set up bike-making facilities in the country, which had met its domestic requirement by importing the two-wheelers in completely knocked down form until 2010.

- Similarly, a couple of local firms, including Walton, are making air conditioners and compressors to cater to a rising demand among the middle and upper middle income groups. The NBR offered the 5% tax privilege first in July 2009 to makers of freezers, refrigerators and motorcycles. It said manufacturers would enjoy the tax exemption for a period of 12 years beginning from the date of commercial production. In 2010, the revenue authority included air conditioner amid demand from the sector. It added compressors to the list in its latest notification.

- Sales of motorcycles are likely to grow 10% year-on-year to 0.53 million units by the end of this year from 0.48 million units the previous year. The value of the market would be around BDT 75 billion, said the head of finance and commercial of Bangladesh Honda Pvt Ltd.

<https://www.thedailystar.net/business/news/bike-ac-compressor-makers-get-tax-benefits-till-2032-1841746>

<http://www.newagebd.net/article/93881/compressor-makers-to-enjoy-lower-income-tax-rate-for-12yrs>

Ready-made garment (RMG) export drops 6.61% in July-November

- The country's ready-made garment (RMG) export to major non-traditional markets witnessed a negative growth of 6.61% during the first five months of current fiscal year (FY), 2019-20, according to data. Industry people said Australia, Brazil, Chile, China, India, Japan, Korea, Mexico, Russia, South Africa and Turkey are 11 prospective markets for local RMG items beyond their three traditional export destinations - the European Union (EU), the US and Canada. Export of apparel items to non-traditional markets, including these 11 prospective ones and excepting India, Korea and Mexico, witnessed a negative growth, the Bangladesh Garment Manufacturers and Exporters Association (BGMEA) data revealed.

- Bangladeshi RMG sector earned USD 2.24 billion from the non-traditional markets during July-November period of FY 20, which was USD 2.40 billion in the corresponding period of

last fiscal. Export to Brazil, China, South Africa and Turkey witnessed a negative growth of 34.12%, 21.47%, 19.47% and 34.92% respectively during the period. RMG export declined by 7.17%, 4.50% and 2.74% to Australia, Japan and Russia respectively, while it fell by less than 1.0% in Chile during the first five months of current FY, data showed. The non-traditional markets accounted for 16.66% or USD 5.68 billion of the country's total garment export volume worth USD 34.13 billion in FY 19.

- Export receipts from the non-traditional markets witnessed a 21.77% growth in last FY. More than 76% of the earning from the non-traditional markets came from these 11 potential ones.

- The RMG export in traditional markets - the EU, the US and Canada - also fell by 8.51%, 5.17% and 13.15% respectively during July-November period of FY 20.

<https://today.thefinancialexpress.com.bd/last-page/rmg-export-drops-661pc-in-july-nov-1576604737>

Poverty rate slips to 20.5%

- The poverty rate in Bangladesh fell by 1.3 percentage points to 20.5% in the fiscal year (FY) 2018-19, official statistics showed on Tuesday. In the previous FY2018, the poverty rate was estimated at 21.8% by the Bangladesh Bureau of Statistics (BBS). Besides, the extreme poverty rate in Bangladesh also dropped to 10.5% in the FY 2019 from 11.3% in the previous FY2018, the Planning Minister said. The Household Income and Expenditure Survey (HIES) 2016 of the BBS estimated Bangladesh's poverty rate at 24.3% among its total population and the extreme poverty rate at 12.9%.

- The Planning Minister said the ECNEC meeting approved nine projects at a combined cost of BDT 32.27 billion.

<https://today.thefinancialexpress.com.bd/first-page/poverty-rate-slips-to-205-per-cent-1576604506>

<https://www.dhakatribune.com/business/2019/12/17/poverty-rate-drops-to-20-says-mannan>

Sustainability practices offer USD 51 billion business opportunities: Global Reporting Initiative (GRI)

- Sustainable businesses can unlock new market opportunities worth USD 51 billion in Bangladesh and USD 5 trillion in Asia by 2030, according to the Global Reporting Initiative's (GRI) Sustainability Reporting Framework. The GRI identified seven areas for sustainable business practices by companies: women care, skill development, equal pay, employing with disability, environmental sustainability, product diversification, and innovation.

- Former principal coordinator for SDG affairs at Prime Minister's Office said that Bangladesh needs to take quick preparations to obtain the Generalized Scheme of Preferences (GSP) Plus status in the European Union as the country is going to lose the existing GSP status when it becomes a developing nation in 2024. He urged international clothing retailers and brands to raise the prices of Bangladeshi-made apparel items as local manufacturers have invested a few billion dollars to remediate factories to strengthen workplace safety. Moreover, Bangladesh is currently the global champion in green garment

factories, he said.

<https://www.thedailystar.net/business/news/sustainability-practices-offer-51b-business-opportunities-1841740>

Good borrowers should get industrial loans at 9% interest

- The seven-member committee on single-digit lending and deposit rates implementation submitted its report to Bangladesh Bank governor recommending a single digit interest rate on industrial loans only for 'good borrowers'. As per the committee recommendations, along with the large industrial manufacturing sector, which contributes directly to the gross domestic product (GDP), the lending rate for cottage, micro, small and medium industrial (manufacturing) should be lowered to a single-digit from the existing level of over 12%. Ready-made garment, textile, ship-building, ship-breaking and agro-based industries should also be included in the industrial sector, it said.

- Defaulters should not be entitled to avail loans at 9% interest while borrowers with a record for regular payment should be able to obtain such loans, said the committee. The committee also recommended that availability of deposits at 6% interest rate should be ensured. A committee source said that the body had refrained from recommending 9-per cent lending rate for all the sectors as such a move might affect the banking sector.

<http://www.newagebd.net/article/93744/good-borrowers-should-get-industrial-loans-at-9pc-interest>

New investment rules: Life insurers' deposits with NBFIs curtailed

- The Insurance Development and Regulatory Authority (IDRA) has recently come up with a set of new investment rules for life insurance companies in a bid to minimize risks and ensure safety of policyholders' money. The prime one is a reduction in the amount of asset a life insurance provider can keep in a non-bank financial institution (NBFIs). It has been limited to 10%, which might deepen the ongoing liquidity crisis of the lenders. As per previous rules framed in 1958, the insurers were permitted to keep 50% of their assets in the form of fixed deposits in banks or the NBFIs. There was no specific mention.

- Insurance companies usually opted for the NBFIs as they offered higher returns than banks. As had been before, life insurance companies must invest at least 30% of their funds on government securities. Of the remaining 70%, 10% will be allowed to be kept with the NBFIs as fixed deposits.

- According to the new regulations, life insurers will be allowed to keep their fixed deposits solely in those NBFIs which have at least an "A" rating or a similar grade. Moreover, a maximum 2% of assets can be kept with a single NBFIs.

<https://www.thedailystar.net/business/news/new-investment-rules-life-insurers-deposits-nbfi-curtailed-1841422>

Development spending slower than last year

- The civil aviation and tourism ministry has been the 14th largest recipient of the development budget this fiscal year but it has managed to spend only 1.92% of the allocation from July to November. The ministry received BDT 38.21 billion for 2019-20 from the Annual Development Programme (ADP), of which BDT 25 billion came from the foreign aid portion. But the ministry is yet to spend a single penny from the portion.
- In total, the line ministries spent BDT 413.87 billion from July to November, which is 19.24% of the allocation, data from the Implementation Monitoring and Evaluation Division showed. The utilization was 20.15% during the same period last fiscal year when BDT 364.38 billion was spent.
- This year the use of foreign aid dropped both in percentage and amount. Foreign aid use fell 14.52% in the five-month period although the government has set an ambitious target of raising spending from foreign sources. Between July and November, BDT 110.87 billion was utilized, which is 15.44% of the total foreign aid allocation. At this point last year, foreign aid utilization was BDT 129.71 billion, which was 21.62% of the allocation in 2018-19. The government has targeted to spend BDT 718 billion, or more than USD 8 billion, in foreign aid in the fiscal year to implement the development budget. Foreign aid in the pipeline surged to a record USD 48.11 billion at the end of 2018-19.
- However, the spending from the government's own coffer rose 37.89% year-on-year to BDT 292.54 billion from July to November. The expenditure was 22.34% of the allocation from its own source. The ministries and divisions spent BDT 212.14 billion during the same five-month period last fiscal year, which was 18.77% of the total allocation. The railways ministry used 7.6% of the allocation, the industries ministry 2.34%, the shipping ministry 6.50%, and the public security division 6.71%.
- The SoEs expended BDT 10.46 billion from July to November, which was 8.44% of the allocation. They used BDT 22.53 billion, or 28.63% of the allocation, during the same period a year ago. The government has allocated BDT 2.15 trillion for the ADP in the current fiscal year.

<https://www.thedailystar.net/business/news/development-spending-slower-last-year-1840864>

E-commerce sales to reach USD 3 billion in 4 years

- Bangladesh's e-commerce market stands at USD 1.6 billion currently and will double to USD 3 billion by 2023 on the back of a digital foundation laid down by the government and a young and tech-savvy population, a German research firm said recently. In terms of e-commerce revenue, Bangladesh is ranked 46th in the global ranking, according to Statista, the online portal for statistics that makes available data collected by market and opinion research institutes and that derived from the economic sector and official statistics.
- However, Chief Executive Officer of AjkerDeal.com, one of the popular e-commerce sites, contradicted the Statista figure, saying the market size would be a maximum USD 500 million.

- According to the Statista report, the online fashion market in Bangladesh is currently worth USD 598 million and it has the prospect to reach up to USD 1.24 billion by 2023. Electronic products amounting to USD 457 million and furniture and appliances worth about USD 196 million are sold online. The online sales of furniture and appliances will go up to USD 352 million after four years. Online sales of toys and hobby products stand at USD 260 million and it can almost be double to USD 442 million by 2023.

- However, e-CAB leaders say the e-commerce market is not more than BDT 30 billion, USD 350 million, with 50,000 deliveries daily.

<https://www.thedailystar.net/business/news/e-commerce-sales-reach-3b-4-years-1841428>

Deposit growth in banks hits 30-month high in October

- Deposit growth in the country's banking sector hit a 30-month high of 12.19% in October this year as savers returned to banks after the government in the budget for the 2019-2020 fiscal doubled taxes on interest earnings from the national savings certificates.
- The growth in October was the highest after 12.43% growth in April, 2017. As per the BB data, deposits in the banking sector stood at BDT 11.06 trillion in October of FY20, increasing by BDT 1.2 trillion from BDT 9.86 trillion at the end of October of FY 2018-19. Since April, 2017, the deposit growth in the country's banking system has remained below 12% with the lowest of 8.57% in April, 2018.
- In July-October of FY20, the government's net sales of NSCs dropped by 69.08% or BDT 123.17 billion year-on-year. Government's net borrowing by issuing NSCs dropped to BDT 55.12 billion in July-October of FY20 against BDT 178.29 billion in the same period of FY19. Bankers said that the deposit growth in the banking sector had improved for two reasons — fall in NSC sales in recent months and increase in deposit rates in banks.
- The government's outstanding borrowing from the BB by issuing treasury bills rose to BDT 161.03 billion at the end of September, 2019 from BDT 144.78 billion at the end of June, 2019. Besides, its outstanding borrowing from the BB by issuing treasury bonds increased to BDT 162.82 billion on September 30 from BDT 133.67 billion on June 30.
- As per the BB data, deposit growth in the banking sector dropped to 9.93% in June of 2019. In July, the growth rate increased to 10.69%. The growth rate increased to 11.40% in August and 11.88% September. In December, 2018, the deposit growth in the banking sector had dropped to 9.04%.

<http://www.newagebd.net/article/93526/deposit-growth-in-banks-hits-30-month-high-in-october>

Telecom sector's revenue to cross USD 5 billion by 2023

- The telecommunication industry's revenue will grow by 34% in the next five years to USD 5.08 billion from USD 3.8 billion at present, on the back of expanding user base and wide range of services, said the USAID in a new study. The industry employs about 760,000 people directly, of which 92.5% are unskilled and 7% are women, the Comprehensive Private Sector Assessment report said. The job growth rate in the sector will be 9% from

2016 to 2020.

- In 2016-17, the telecommunications sector accounted for 6.98%, or USD 29.6 billion, of the economy. The contribution of the sector is highly dominated by mobile operators with a direct impact of 58%, followed by distributors and retailers (25%), infrastructure providers (12%), and the handset industry, content applications and other services providers (5%).

- The report found that the total number of smartphone users was 48 million in 2017 and it will go up by threefold to 138 million in 2025. At the end of fiscal 2017, there were 85 million unique subscribers and it will be 107 million in 2025, making Bangladesh the fifth largest mobile market in the Asia Pacific and the ninth largest market in the world in terms of unique subscribers. Active mobile connections will reach 190 million at the end of 2025 and the number of 4G users will be 41%, the USAID report said, referring to the GSMA, a trade body that represents the interests of mobile network operators worldwide.

<https://www.thedailystar.net/business/news/telecom-sectors-revenue-cross-5b-2023-1840516>

Metropolitan Chamber of Commerce & Industry (MCCI) economic review: Inflation, low investment, slow export major risks in economy

- Inflationary pressure, slower growth in the export and import, lack of investors' confidence and a lower rate of investment were the major risk factors for the country's economy in the first quarter, said the Metropolitan Chamber of Commerce & Industry (MCCI) on Thursday. MCCI said infrastructure deficits and gas and power supply problems were now undermining the performance of all productive sectors of the economy.

- According to the review, the agriculture sector grew at a lower rate of 3.51% in FY19 compared to 4.19% in FY18. The lower growth of the sector was also accompanied by its falling share in GDP, which declined to 13.60% in FY19 from 14.23% in FY18. The share of the industry sector in GDP increased to 35.14% in the first quarter of FY19 from 33.66% in the previous fiscal year. The sector grew at 13.02% in FY19 compared to 12.06% in FY18 in the period.

- In the power sector, the generation capacity rose to 19,428 megawatt (MW) in September 2019, which was 18,825 MW two months back (in July). The MCCI pointed out sectors like tourism, engineering, consultancy and infrastructure needed technological advancement to boost their contribution to GDP.

- The country's merchandise export earnings in Q1 of FY20 decreased by 2.95% to USD 9.65 billion from USD 9.94 billion in the same period of the previous fiscal year. Export earnings also fell short of the strategic target (USD 10.85 billion) by 11.06%, showed the MCCI review. The inflow of remittances in the first three months of FY2019-20, increased by 17.58% to USD 4.55 billion from that of USD 3.87 billion in the corresponding period of the previous fiscal year. A main reason behind the increase was the government-announced 2% incentive on remittance receipts, said MCCI.

- In September 2019, the general point to point inflation in the country rose by 0.05 percentage points to 5.54% from 5.49% in August 2019. A year ago, in September 2018, the inflation rate was lower at 5.43%. A comparison of point to point inflation data for rural

and urban areas in September of FY20 shows that the general and non-food price inflation was higher in urban areas than in rural areas. Food price inflation, however, was lower in urban areas than in rural areas, observed MCCI.

<https://www.dhakatribune.com/business/2019/12/13/mcci-economic-reveiw-inflation-low-investment-slow-export-major-risks-in-economy>

<https://www.thedailystar.net/business/news/economy-growing-well-challenges-remain-mcci-1839628>

<http://www.newagebd.net/article/93464/mcci-says-economy-progressed-in-q1-despite-risk-factors>

Reconditioned car importers in trouble as sales drop

- Reconditioned car importers are in deep trouble as their sales dropped drastically in the first five months of the fiscal year because of a faulty tax structure and reduction in depreciation rate, said industry people yesterday. Duty structure for reconditioned cars has been set in a way that pushes up the prices of used cars more than the new ones, said President of the Bangladesh Reconditioned Vehicles Importers and Dealers Association (BARVIDA).

- According to the BARVIDA, only 3,438 units of reconditioned cars were imported from July to November. In fiscal 2018-19 that ended on June 30, a total of 12,502 units of reconditioned cars were imported, down 46% from a year ago, when 23,075 units were brought in. President of the BARVIDA said car import is declining continuously because of higher duties, a fall in price depreciation, currency devaluation, and higher bank interest rate. The government has brought down the maximum depreciation of imported reconditioned vehicles to 35% in 2018-19 from 45% in 2015-16, increasing the import duty and the price of cars. He said importers are entitled to a maximum 35% depreciation on the brand new price for four-year old cars but there is no depreciation for a one-year old car.

- The President said the interest on auto loans reached 14 to 16%, the highest in the world. Banks provide limited loan facility due to their own liquidity crisis. At present, customers can avail around 50% of the cost of a car as loans from banks, but it should be 90%, he said. According to the BARVIDA, used car importers invested around BDT 200 billion and about BDT 4000 billion in taxes are deposited to the government coffer every year.

<https://www.thedailystar.net/business/news/reconditioned-car-importers-trouble-sales-drop-1840510>

<http://www.newagebd.net/article/93658/used-car-import-sales-plunge-barvida>

<https://www.dhakatribune.com/business/2019/12/14/reconditioned-car-imports-slump-by-31>

Coal imports surge on rising demand for bricks

- Coal imports are soaring to fuel hundreds of brick kilns that produce the key construction material to feed the growing demand from both public and private sectors. Imports of the fossil fuel rose 70% year-on-year to 5.75 million tonnes in fiscal year 2018-19, customs data showed. In monetary terms, Bangladesh's private importers spent BDT 39.50 billion to buy coal in the last fiscal year, and the cost of import of the fuel was two and a half times the import cost three years ago.

- President of the Bangladesh Coal & Coke Importers Association (BCCIA) said 98% of the imported coal are used to burn bricks to support the increasing demand from public and private sector construction. The construction sector grew 10.25% in 2018-19, up from 9.92% the previous year, according to the Bangladesh Bureau of Statistics.

- The number of kilns will be between 7,000 and 10,000, producing 21 billion to 43 billion pieces of bricks annually, according to trade bodies representing brick makers. The Department of Environment (DoE) recorded 8,033 brick kilns in 2018.

<https://www.thedailystar.net/business/news/coal-imports-surge-rising-demand-bricks-1839634>

Investment Corporation of Bangladesh (ICB) proposes Citi as partner for issuance of USD 500 million bond

- State-owned Investment Corporation of Bangladesh has proposed Citigroup Global Markets as its partner for raising USD 500 million from the international market by issuance of bond. Official said the ICB had been working on the issue since prime minister's power and energy adviser at a seminar in 2016 announced that USD 500 million would be raised for the PDB from Singapore capital market to finance projects for the state-run electricity generation and distribution company. State minister for power and energy said the government would require USD 30 billion to implement power sector projects till 2040.

<http://www.newagebd.net/article/93656/icb-proposes-citi-as-partner-for-issuance-of-500m-bond>

Hard-term loan kitty set to be bigger

- The volume of the country's hard-term loan is likely to go up in the coming days as the government has amended the foreign borrowing terms, officials said. The government has recently relaxed its foreign borrowing terms to help execution of development projects successfully, officials said. It will now be able to take more costly loans like the suppliers' credit after relaxation of the relevant terms. However, analysts have criticized the sudden move of the government, saying that it might make Bangladesh's foreign debt burden difficult.

- In a gazette on December 01, the Economic Relations Division (ERD) said the loans having less than 25% of grant element will be treated as non-concessional loans. Earlier, the percentage was 35. The hard loan proposals are approved by the "standing committee on non-concessional loan (SCNCL)". The finance minister is the chief of SCNCL.

- The government usually takes concessional loans from different bilateral and multilateral lenders like World Bank, Asian Development Bank (ADB), Japan, Islamic Development Bank, United Nations Development Programme, China and India. It also takes some non-concessional loans from them on comparatively harder terms and conditions due to constraints of internal resources.

<https://today.thefinancialexpress.com.bd/public/first-page/hard-term-loan-kitty-set-to-be-bigger-1576254351>

The Public Private Partnership Authority (PPPA) secures USD 5.0 billion deals to develop infrastructure

- The Public Private Partnership Authority (PPPA) has signed 16 contracts worth USD 5.0 billion with local and foreign investors to develop Bangladesh's infrastructure and social services. We have lined up 74 projects involving USD 25.0 billion for investment under PPP arrangement. Among them, 16 contracts worth USD 5.0 billion have already been inked, said Chief Executive Officer (CEO) of PPP Authority. The CEO said the PPPA had created opportunities for lending partners of investors to sit with them for discussion on security of investments in Bangladesh.

<https://today.thefinancialexpress.com.bd/public/trade-market/pppa-secures-50b-deals-to-develop-infrastructure-1576253169>

Online VAT project fated to miss its Dec'20 deadline

- A Vietnamese firm that has been assigned to automate the VAT administration is set to miss the deadline because of its incapacity and the required back-up administrative reform. About BDT 2.76 billion or 40% of the fund of the VAT Online Project (VOP) has so far been spent without any significant outcome in the last five years, sources said. The only significant outcome the Vietnamese contractor FPT could produce is the online VAT registration system. But economists say the online VAT registration process is also not that successful, as VAT officials are taking a long time for verification.

- Businesses have to wait, in some cases, for more than one month, to get their respective Business Identification Numbers (BINs) from the VAT offices. Although the VAT authority has claimed that the Online VAT return module is ready for use under the project, none of the businesses could access or enjoy the facility so far.

- The government launched the VOP in 2014. It is scheduled to expire on December 30 next year. The cost of the project is around BDT 6.90 billion borne jointly by both the World Bank (WB) and the government of Bangladesh. The NBR signed an agreement with the Vietnamese contractor FPT Information Systems on September 16, 2015 for implementing the VOP. The WB is expected to provide USD 60 million for the project. But out of the amount, it released about USD 35 million so far, sources said.

<https://today.thefinancialexpress.com.bd/first-page/online-vat-project-fated-to-miss-its-dec-20-deadline-1576339424>

Important News: Capital Market

BDT 100 billion stock market lifeline: Government seeks opinions of central bank, Bangladesh Securities and Exchange Commission (BSEC)

- The Ministry of Finance (MoF) has sought opinions from the central bank and the securities regulator on a loan amount of BDT 100 billion sought by stock brokers to shore up the moribund stock market. The BB (Bangladesh Bank) will fix the structure and conditions of the loan sought by the stock brokers. We will just give our opinions as elicited by the MoF, the BSEC chairman said. Earlier on October 24 around 20 stock brokers

submitted the proposal to the MoF seeking BDT 100 billion in loan from the government against the backdrop of the continuing erosion in stock prices.

- In their work-plan, the stock brokers said they would invest the fund in shares of listed companies, which have the record of disbursing at least 10% cash dividend. The listed companies having a growth record for at least three years, out of last five years, will be chosen for investment of the fund, according to the work plan. The listed companies should also have at least 10% return on equity (ROE). The stock brokers also said the fund would be invested in shares of listed companies having market capitalization of at least BDT 5.0 billion each.

<https://today.thefinancialexpress.com.bd/first-page/govt-seeks-opinions-of-central-bank-bsec-1576691634>

Non-listed insurance companies yet to go public: Insurance Development and Regulatory Authority (IDRA) calls meeting tomorrow

- Even though the deadline has already expired, no visible progress has been made to bring non-listed insurance companies into the capital market, officials said. As a result, Insurance Development and Regulatory Authority (IDRA) has called an emergency meeting of stakeholders, chairmen and chief executive officers of these insurance companies on December 17. The issue of apathy among 28 insurance firms to get listed on the stock market will come up at the meeting for discussion, according to them.

- On September 15, Finance Minister gave the directives at a view-exchange meeting with chairmen and top executives of insurance companies. After the meeting the minister said, they have asked non-listed insurance companies to be listed on the capital market within next three months. If they fail to get enlisted on two stock exchanges-Dhaka and Chattogram-stern action would be taken against them.

<https://today.thefinancialexpress.com.bd/public/stock-corporate/non-listed-ins-companies-yet-to-go-public-1576426760>

Fund raising through IPOs falls in 2019

- Fund raising by companies through initial public offerings declined by 14% in 2019 compared with that in the previous year. Only eight companies raised BDT 5.52 billion while 13 companies and a mutual fund raised BDT 6.46 billion in the previous year. The current commission has so far approved IPOs of around 90 companies since 2011 and the DSE raised reservations about 60 of them.

- Fourteen companies including one mutual fund collected BDT 6.46 billion through IPOs in 2018 while six companies including two mutual funds had raised BDT 2.49 billion in 2017. Esquire Knit raised BDT 1.5 billion, Runner Automobiles BDT 1 billion, ADN Telecom Limited BDT 570 million, New Line Clothings BDT 300 million, Silco Pharmaceuticals BDT 300 million, Coppertech Industries BDT 300 million, SEA Pearl and Resort BDT 150 million, and Ring Shine Textiles BDT 1.5 billion in 2019.

- Fund raising from the capital market totaled at BDT 2.19 billion in 2017, BDT 8.49 billion in 2016, BDT 8.31 billion in 2015 and BDT 12.64 billion in 2014. Fund raising through issuing

rights shares sank further in 2019 as only one company collected BDT 899.3 million while two companies had collected BDT 2.69 billion in 2018.

<http://www.newagebd.net/article/93527/fund-raising-thru-ipos-falls-in-2019>

USD 20 million laundered abroad: AB Bank sues 15, including former chairman, 2 Managing Directors

- AB Bank has filed a case against 15 persons, including a former chairman and two managing directors, over their alleged involvement in laundering USD 20 million abroad. The laundering process started off when the bank's board of directors approved an investment of USD 20 million in December 2013. The investment was set to be made in a Singapore-based fundraising and investment company, Pinnacle Global Fund Pte Ltd (PGF).

- In February 2014, the bank's offshore banking unit transferred the money to an account of UAE-based Abu Dhabi Commercial Bank (ADCB). The first generation private bank was also found to have signed the investment deal with the PGF on a white paper, raising questions about the deal's effectiveness, according to a central bank investigation of 2017. AB Bank in its press release said the USD 20 million was withdrawn without its knowledge.

<https://www.thedailystar.net/business/news/20m-laundered-abroad-ab-bank-sues-15-including-former-chairman-2-mds-1840513>