

## Weekly Market Update

### Capital Market Overview

The market closed in red this week. The benchmark index DSEX (-0.16%) lost 9.09 points and closed the week at 5,811.92 points. The blue-chip index DS30 (+0.90%) gained 18.13 points and stood at 2,026.09 points. The shariah based index DSES (+0.98%) gained 12.80 points and stood at 1,323.40 points. DSEX, DS30 and DSES all posted positive YTD return of +7.92%, +7.73%, and +7.35% respectively.

**Total Turnover During The Week (DSE) :** BDT 41.2 billion (USD 495.6 million)  
**Average Daily Turnover Value (ADTV):** BDT 8.2 billion (Δ% Week: -20.3%)

### Daily Index Movement during the Week:

The market performed five sessions during this week. Market opened this week with a negative movement of 0.34% in the first session. Then the market rebounded in the second session by 0.46%. In the third session, the market closed in negative territory by 0.48% and continued to be negative by 0.25%. In the last session, market turned into positive by 0.45%.

### Sectoral Performance:

- Financial sectors showed negative performance this week. General Insurance experienced the highest loss 7.42% followed by Life Insurance (-4.79%), NBFIs (-2.04%), Banks (-1.50%) and Mutual Funds (-1.08%).
- The non-financial sectors positive performance this week. Power posted the highest gain of 3.06% followed by Pharmaceuticals (+2.73%), Food & Allied (+2.14%), Telecommunication (+2.12%) and Engineering (+0.13%).

### Macroeconomic arena:

- Bangladesh equaled China and India to log in the highest per capita economic growth globally in the last five years, according to The Spectator Index. The country's per capita growth was 45% in the past five years in terms of purchasing power parity, which is the same as neighbouring India and China.
- The country's import payments increased by 10.78% in the first half of the current fiscal year 2018-2019 due mainly to rise in payments for import of petroleum oils, industrial raw materials and other products. Import of fuel oils, crude and refined, surged by 45.66% in six months due to an increased demand for the items in the fuel-based power plants.
- Remittance inflow in seven months (July-January) of the current fiscal year (2018-19) grew by 9.26% to USD 9.08 billion compared with USD 8.31 billion in the same period of last financial year (2017-18). Non-resident Bangladeshis sent home record USD 1.59 billion in remittance in January this year, which contributed to the growth of remittance in July-January.
- Twelve international companies would make around USD 5.78 billion foreign direct investment (FDI) in Bangladesh's special economic zones (SEZs), generating 13,000 new jobs for the local people. The FDI is coming from Japan, Malaysia, China, United Kingdom (UK), Singapore, UAE, India, Australia and South Korea to the country's building materials, steel, power, processed food, paint, petro chemical and garment accessories sectors.

### Stock Market arena:

- The number of beneficiary owners' accounts at the country's stock market has risen by nearly 2,000 per trading day on average after the December 30 national elections amid bullish vibes at the market. In 20 trading sessions in January this year, 38,244 BO accounts were opened. As of January 31, the number of BO accounts stood at 2,817,041 while the figure was 2,778,797 as of December 31 last year. The number also hit a 18-month high after July 10, 2017 when it was 2,819,707.
- The net foreign investment at Dhaka Stock Exchange turned positive in January after remaining negative three months on the trot amid political calm after the December 30 general election. The foreign investors bought shares worth BDT 4.95 billion in January against their sales of shares worth BDT 3.19 billion with the net investment standing at BDT 1.75 billion.
- The government revenue earnings from the Dhaka Stock Exchange (DSE) fell 14 % in July-January period of the current fiscal year on the back of falling trade volumes. Suggestive market trend coupled with low share sales by sponsor-directors and placement holders during the period affected the government revenue earnings from the prime bourse. However, the government earnings from the DSE rose sharply by 126% month-on-month in January 2019 to BDT 326 million amid rising trading activities after the national elections.

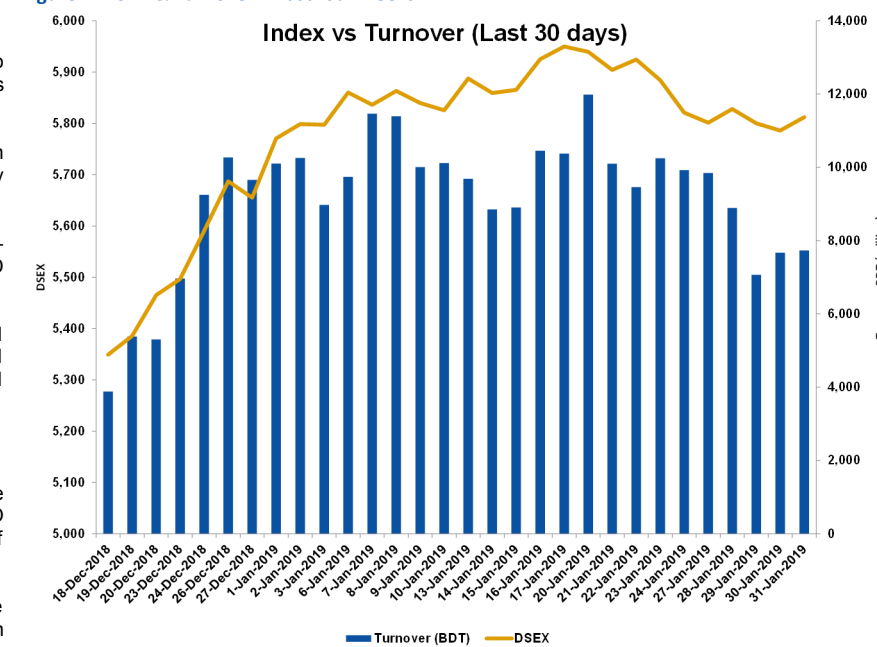
Table 1: Index

Index	Closing	Opening	Δ(Pts)	27-Dec-2018	Δ% Week	Δ%YTD
DSEX	5,811.92	5,821.01	-9.09	5,385.64	-0.16%	7.92%
DS30	2,026.09	2,007.96	18.13	1,880.78	0.90%	7.73%
DSES	1,323.40	1,310.60	12.80	1,232.82	0.98%	7.35%

Table 2: Market Statistics

		This Week	Last Week	%Change
Mcap	Mn BDT	20,917,232.2	20,981,673.6	-0.3%
	Mn USD	251,620.7	252,395.9	
Turnover	Mn BDT	41,197.5	51,713.3	-20.3%
	Mn USD	495.6	622.1	
Average Daily Turnover	Mn BDT	8,239.5	10,342.7	-20.3%
	Mn USD	99.1	124.4	
Volume	Mn Shares	945.2	1,444.0	-34.5%

Figure 1: DSEX & Turnover in last four weeks



Associate:

Md. Rafiqul Islam

[mrafiqulislam@bracepl.com](mailto:mrafiqulislam@bracepl.com)

**Table 3: Top Ten Gainers**

Company Name	Close	Open	Δ%	Mcap (mn BDT)	Vol (mn BDT)	P/E	P/B
Genex Infosys Limited	55.40	10.00	454.0%	4,520.6	491.89	43.2x	3.8x
Dulamia Cotton	45	34.00	32.4%	340.0	10.66	NM	NM
Berger Paints	1,844.60	1,471.70	25.3%	85,548.6	512.90	42.3x	14.4x
Libra Infusions Limited	1,066.70	899.30	18.6%	1,602.1	179.16	263.4x	0.8x
Monno Jute Staffers	2,123.70	1,800.60	17.9%	4,396.1	411.80	19281.0x	117.5x
Beach Hatchery Ltd.	19.10	16.20	17.9%	790.8	43.59	NM	1.6x
Shurwid Industries Limited	39.20	34.20	14.6%	2,248.8	462.01	NM	3.3x
Emerald Oil Industries Ltd.	26.00	22.70	14.5%	1,552.6	55.06	8.6x	1.7x
Marico Bangladesh Limited	1,402.20	1,238.10	13.3%	44,169.3	72.59	30.7x	33.4x
Atlas Bangladesh	145.70	128.90	13.0%	4,826.6	120.75	NM	1.1x

**Table 4: Top Ten Losers**

Company Name	Close	Open	Δ%	Mcap (mn BDT)	Vol (mn BDT)	P/E	P/B
Prime Insurance	19.80	25.40	-22.0%	809.4	73.67	10.9x	1.2x
Purabi Insurance	17.00	21.60	-21.3%	940.2	251.56	17.4x	1.5x
Paramount Insurance	21.60	27.00	-20.0%	683.4	191.24	24.1x	1.7x
Janata Insurance	18.80	23.30	-19.3%	757.1	115.71	90.5x	1.6x
Karnaphuli Insurance	20.00	24.50	-18.4%	854.8	86.63	15.5x	1.3x
Asia Pacific Gen Ins	25.90	31.60	-18.0%	1,096.9	91.62	17.2x	1.7x
Global Insurance Ltd.	18.30	22.30	-17.9%	673.1	101.10	37.1x	1.6x
Northern Insurance	23.10	28.00	-17.5%	985.4	60.20	14.9x	1.3x
Rupali Insurance	22.80	27.20	-16.2%	1,589.1	158.54	13.9x	1.1x
Peoples Insurance	20.80	24.70	-15.8%	961.0	16.28	8.5x	1.0x

**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	408.50	391.30	4.4%	195,707.0	3,160.75	46.9x	17.0x
Bangladesh Submarine Cable Company Limited	154.10	141.70	8.8%	25,411.9	1,832.54	79.9x	4.8x
Khulna Power Company Limited	63.40	64.00	-0.9%	25,196.0	956.24	13.8x	2.7x
Grameenphone Ltd.	405.50	398.20	1.8%	547,546.7	751.86	24.3x	21.3x
The Premier Bank	15.30	16.40	-6.7%	12,241.2	751.45	7.6x	1.1x
Monno Ceramic	315.90	298.60	5.8%	10,317.8	707.67	3920.0x	4.4x
Sonar Bangla Ins	48.80	44.20	10.4%	1,843.4	625.95	33.4x	3.3x
Meghna Petroleum	231.40	220.80	4.8%	25,041.2	604.96	11.4x	2.9x
Singer Bangladesh	247.40	235.90	4.9%	18,974.2	602.43	34.7x	10.7x
Bangladesh Shipping Corporation	49.80	47.90	4.0%	7,596.2	570.61	113.0x	0.4x

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

Top 10 Most Appreciated Stocks	Close	Δ% YTD	Mcap (mn BDT)	P/E
Berger Paints	1,844.60	78.83%	85,548.6	42.3x
Marico Bangladesh Limited	1,402.20	26.77%	44,169.3	30.7x
Singer Bangladesh	247.40	26.55%	18,974.2	34.7x
Atlas Bangladesh	145.70	21.97%	4,826.6	NM
Eastern Housing	59.50	20.93%	5,554.0	25.5x
Summit Power	42.80	19.22%	45,705.1	10.5x
Power Grid Co. of Bangladesh Ltd.	61.10	17.05%	28,161.8	14.1x
Mutual Trust Bank	35.80	15.07%	20,526.4	14.0x
Pragati Insurance	32.50	14.51%	1,992.2	15.1x
Pioneer Insurance	34.80	14.10%	2,435.3	19.3x

**Table 6: Sector Indices**

Sector Name	Week Close	Week Open	Year Open	%Δ Week	%Δ YTD
Banks	1550.58	1574.17	1848.21	-1.50%	-16.10%
NBFIs	2232.36	2278.79	2714.85	-2.04%	-17.77%
Mutual Funds	696.68	704.26	788.81	-1.08%	-11.68%
General Insurance	1934.94	2089.94	1592.30	-7.42%	21.52%
Life Insurance	2126.68	2233.68	1834.85	-4.79%	15.90%
Telecommunication	5700.69	5582.27	6494.31	2.12%	-12.22%
Pharmaceuticals	2857.04	2781.14	2821.05	2.73%	1.28%
Fuel & Power	2114.76	2052.03	1527.27	3.06%	38.47%
Cement	1740.83	1731.65	2280.58	0.53%	-23.67%
Services & Real Estate	1063.07	1071.88	1224.11	-0.82%	-13.16%
Engineering	3234.37	3230.09	3166.83	0.13%	2.13%
Food & Allied	15834.98	15502.50	15304.34	2.14%	3.47%
IT	2030.87	1622.26	1484.41	25.19%	36.81%
Textiles	1525.79	1537.84	1222.72	-0.78%	24.79%
Paper & Printing	8621.10	8881.59	1013.11	-2.93%	750.96%
Tannery	2706.39	2581.61	2642.41	4.83%	2.42%
Jute	20708.67	21359.89	8867.22	-3.05%	133.54%
Ceramics	654.08	655.04	597.46	-0.15%	9.48%
Miscellaneous	2412.13	2113.41	1725.62	14.13%	39.78%

**Table 7: Sector Trading Matrix**

Sector Name	Daily average this Week	Daily average last week	% Change	% of Total Turnover	P/E	P/B
Banks	641.2	1,220.7	-47.47%	7.90%	10.0x	1.1x
NBFIs	333.4	697.5	-52.20%	4.11%	21.4x	2.2x
Mutual Funds	40.1	49.8	-19.47%	0.49%	NM	0.6x
General Insurance	1,120.4	1,554.7	-27.94%	13.80%	17.6x	1.3x
Life Insurance	150.7	222.3	-32.22%	1.86%	NM	8.8x
Telecommunication	516.9	410.7	25.87%	6.37%	25.1x	18.5x
Pharmaceuticals	662.2	865.2	-23.46%	8.16%	21.5x	3.5x
Fuel & Power	1,531.2	1,085.2	41.11%	18.87%	17.9x	2.8x
Cement	77.3	67.1	15.30%	0.95%	19.6x	3.2x
Services & Real Estate	155.2	340.8	-54.46%	1.91%	26.9x	0.9x
Engineering	886.5	1,099.7	-19.38%	10.92%	24.6x	2.2x
Food & Allied	237.6	297.2	-20.05%	2.93%	32.1x	11.2x
IT	225.5	257.8	-12.53%	2.78%	33.2x	3.4x
Textiles	768.6	1,162.4	-33.88%	9.47%	23.5x	1.3x
Paper & Printing	35.0	37.3	-5.93%	0.43%	NM	4.7x
Tannery	176.4	168.7	4.55%	2.17%	21.3x	3.3x
Jute	20.5	31.9	-35.71%	0.25%	NM	8.8x
Ceramics	163.5	126.7	29.11%	2.01%	31.7x	2.4x
Miscellaneous	373.8	411.6	-9.19%	4.61%	34.7x	1.6x

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

Top 10 Least Appreciated Stocks	Close	Δ% YTD	Mcap (mn BDT)	P/E
AB Bank	12.40	-43.89%	9,400.8	6.2x
United Airways (BD) Ltd.	2.80	-39.76%	2,318.7	11.9x
Lafarge Surma Cement	43.20	-38.20%	50,171.3	22.5x
City Bank	31.80	-33.93%	30,782.0	7.6x
ACI Limited	305.00	-31.35%	15,216.2	14.3x
Aftab Automobiles	45.30	-29.44%	4,336.7	11.0x
EXIM Bank	12.30	-28.49%	17,370.7	5.9x
Islami Bank	26.70	-27.05%	42,986.8	9.6x
International Leasing	14.40	-27.02%	3,042.0	24.2x
RAK Ceramics Limited	41.40	-23.97%	16,107.2	17.6x

## Important News: Business & Economy

### Bangladesh ahead of all

- Bangladesh equalled China and India to log in the highest per capita economic growth globally in the last five years, according to The Spectator Index.
- The country's per capita growth was 45% in the past five years in terms of purchasing power parity, which is the same as neighbouring India and China.
- The index -- which is run by The Spectator, a weekly British magazine focused on politics, economics, history, military affairs, sports, science, and technology -- also compared Bangladesh's economy with that of Venezuela to show how much the South Asian nation has progressed over the years.
- In 1980, the size of Venezuela's economy was USD 117 billion in PPP terms compared to Bangladesh's USD 41 billion. In 2018, the gross domestic product of Venezuela stood at USD 330 billion, whereas it was USD 751 billion for Bangladesh.

<https://www.thedailystar.net/business/news/bangladesh-ahead-all-1696726>

### RMG exports to non-traditional markets soar 36%

- Garment export to non-traditional markets grew by 36.21% year-on-year to USD 2.90 billion in the current fiscal year's first six months because of a government stimulus package and duty-free market access. The receipt from the garment shipment in the same period last fiscal was USD 2.13 billion.
- Garment export to non-traditional markets has been growing since 2010-11 when the government announced a 5% cash incentive as a stimulus package to offset fallouts of financial recessions that affected the global economy in 2007 and 2008.
- Apart from the traditional US, European Union and Canadian markets, all others are considered non-traditional or emerging markets for Bangladesh. Australia, Brazil, Chile, China, India, Japan, South Korea, Mexico, Russia, South Africa and Turkey are the 11 stronger markets.
- Since 2010-11, apparel shipments to new destinations have been growing rapidly. Exports to those destinations varied from USD 200 million to USD 500 million before the stimulus package was announced.

<https://www.thedailystar.net/business/news/rmq-exports-soar-36pc-1696729>

### Country to seek the status quo in post-LDC era

- Bangladesh seeks to extend the TRIPS privileges well into its post-LDC era to safeguard the local pharma industry from the tough global patent regime. Launched in 1994, the Trade-Related Aspects of Intellectual Property Rights (TRIPS) agreement sets global minimum standards for the protection of intellectual property rights.
- Commerce ministry high officials said they would urge the World Trade Organization to

waive TRIPS-related obligations for Bangladesh even after its graduation from the least developed country (LDC) category.

- The LDCs were granted a transition period to comply with the agreement which has been extended twice until July 01, 2021 and January 01, 2033 respectively. But Bangladesh fulfilled the LDC graduation criteria last year and is expected to formally graduate from the LDC category by 2024.
- The director general of WTO Cell said that they would ask the WTO to continue the TRIPS privileges for Bangladesh even after its LDC graduation.

<http://today.thefinancialexpress.com.bd/first-page/country-to-seek-the-status-quo-in-post-ldc-era-1549126190>

### H1 import payments cross USD 27 billion

- The country's import payments increased by 10.78% in the first half of the current fiscal year 2018-2019 due mainly to rise in payments for import of petroleum oils, industrial raw materials and other products.
- According to Bangladesh Bank data, the country settled import payments worth USD 27.32 billion in July-December of FY19, against USD 24.66 billion in the same period.
- Import of fuel oils, crude and refined, surged by 45.66% in six months due to an increased demand for the items in the fuel-based power plants. Industrial raw materials import went up by 10.56% in the period while products in other category also surged by 19.68 per cent.

<http://www.newagebd.net/article/63624/h1-import-payments-cross-27b>

### Launch of saving certificates online database tomorrow

- Saving certificates online database named 'national saving certificates online management system' will be launched tomorrow (Sunday). The move has been taken to see whether savings schemes are abused by exceeding investment limit or making 'benami' (fictitious) investments.
- Initially, the online database will be launched at the headquarters of Bangladesh Bank, Bangladesh Post Office, Sonali Bank and Department of National Savings.
- Cash transaction of up to BDT 100,000 will be allowed. But savers must submit cheques for buying savings tools worth over BDT 100,000. The savers will also require bank accounts, mobile numbers while purchasing national savings certificates and bonds.

<http://today.thefinancialexpress.com.bd/first-page/launch-of-saving-certificates-online-database-tomorrow-1549043682>

### Bangladesh Bank (BB) to focus on credit flow to priority sectors

- The Bangladesh Bank (BB) will continue its intensive supervision in ensuring credit flow to

the priority sectors to help create more and better jobs along with protecting the environment.

- BB will continue resorting to intensive and intrusive supervision in ensuring that credit flows reach the priority sectors (agriculture, manufacturing, SMEs) that can create more and better jobs while protecting the environment.

- The Chairman of the Association of Bankers, Bangladesh (ABB), said economic impact of such loans will be improved, if their proper use is ensured. The ambitious target of building Bangladesh as a knowledge-based upper middle-income country by 2030 or earlier and graduation to a developed one by 2041 will require unwavering and continued reforms, given the country's integration with the global economy in an increasingly complex world.

<http://today.thefinancialexpress.com.bd/first-page/bb-to-focus-on-credit-flow-to-priority-sectors-1548956832>

### **State-Owned Banks (SoBs), Financial Institutions (FIs) must improve financial health: The Ministry of Finance (MoF)**

- The Ministry of Finance (MoF) has asked the chief executives of state-owned banks (SoBs) and financial institutions to improve financial health. It also exhorted them to work vigorously to achieve the targets set in the annual performance agreement (APA), sources said.

- The heads of the SoBs and financial institutions sign the APA with the FID every fiscal when they vow to improve their financial health.

- The APA contains issues like keeping non-performing loans (NPLs) at logical level, raising income by distributing loans and advances, improving overall financial conditions and lowering risks and strengthening financial base.

- In recent months, the state-owned banks are plagued with large NPLs creating hue and cry among politicians and economists. As of September, last year, the amount of defaulted loans in the country's banking sector reached an all-time high of BDT 1.0 trillion.

<http://today.thefinancialexpress.com.bd/last-page/sobs-fis-must-improve-financial-health-mof-1548957440>

<http://www.newagebd.net/article/63413/poor-bad-loan-recovery-by-scam-hit-sobs-irks-fid>

### **Rules on cigarette paper imports tightened**

- The National Board of Revenue (NBR) has tightened the rules on imports of papers used in making cigarettes in the face of allegation of tax evasion.

- Importers, along with import-related documents, have to submit letters from the field offices of value-added tax (VAT) to confirm that they submit return regularly and have existence, according to an order of the VAT wing of the NBR.

- The NBR move comes amid an allegation of VAT evasion against a section of cigarette paper importers. Cigarette is the biggest source of VAT and more than 86.00 billion sticks

of cigarette are sold annually, according to industry and NBR data.

<https://www.thedailystar.net/business/news/rules-cigarette-paper-imports-tightened-1695766>

### **Telecom ministry probes BTRC committee's irregularities**

- The telecom ministry has launched a probe into the allegations of irregularities against a Bangladesh Telecommunication Regulatory Commission committee that deals with promotion of the commission's officials.

- Submission of a joint complaint by around 30 officials of the rank of deputy director, senior assistant director and assistant director of BTRC prompted the ministry to take the move.

- Telecommunications and information technology ministry issued by its deputy secretary Urmi Tamanna on January 29 asked the three-member probe body to investigate the allegations against the BTRC committee. The committee has been asked to submit its report in 10 days to the telecom division acting secretary upon completion of investigation.

<http://www.newagebd.net/article/63530/telecom-ministry-probes-btrc-committees-irregularities>

### **Reliance on coal may ease in revised power master plan**

- The government is planning a review of the power system master plan (PSMP) to pinpoint the electricity demand and the sources of energy to streamline the sector's growth in an efficient way. The Power Division under the Ministry of Power, Energy and Mineral Resources (MPEMR) already initiated its work on updating the PSMP of 2015.

- Overall projection of demand for electricity in future might be reviewed lower and the urgency of building a significant number of new coal-fired power plants might ease in the new PSMP.

- Currently, the country's total electricity generation capacity is 17,685 megawatts (MW) from 127 power plants-gas-fired, oil-run, coal-fired and hydropower. Under the PSMP-2015, the government has a target to generate 24,000 MW of electricity by 2024, 40,000MW by 2030 and 60,000 MW by 2041.

- Electricity generation costs at different power plants also vary significantly.

<http://today.thefinancialexpress.com.bd/first-page/reliance-on-coal-may-ease-in-revised-power-master-plan-1549126375>

### **Remittance inflow rises to USD 9 billion in 7 months**

- Remittance inflow in seven months (July-January) of the current fiscal year (2018-19) grew by 9.26% to USD 9.08 billion compared with USD 8.31 billion in the same period of last financial year (2017-18). Non-resident Bangladeshis sent home record USD 1.59 billion in remittance in January this year, which contributed to the growth of remittance in July-January.

- Bangladesh Bank officials said that inflow of remittance rose by 15% in January compared with that of USD 1.38 billion in January last year as the December 30 elections-centric uncertainties in the economic activities eased in January. They also said that upward trend in remittance inflow had continued for the past few months because of appreciation of the USD against the Bangladeshi currency, taka, prompting expatriates to send money through the legal channel.

- As per the central bank web site data, the exchange rate of dollar, which was BDT 78.7 in January 2017, increased to BDT 82.9 in January last year and remained at BDT 83.95 in last few days. As the dollar rate was on the rise for last couple of years, remittance inflow through the legal channel rose, said officials of central bank.

- Besides the dollar appreciation in Bangladesh, oil price increase in the global market boosted economies in the Middle East countries and earnings of the expatriates accordingly. The central bank's move to increase remittance inflow through the legal channel by taking measures for the prevention of digital hundi was another reason for the rise of remittance inflow in the period.

<http://www.newagebd.net/article/63719/remittance-inflow-rises-to-9b-in-7-months>  
<https://www.thedailystar.net/business/news/remittances-rise-weak-taka-1697197>

## **12 international companies to make USD 5.78 billion FDI in economic zones**

- Twelve international companies would make around USD 5.78 billion foreign direct investment (FDI) in Bangladesh's special economic zones (SEZs), generating 13,000 new jobs for the local people. The FDI is coming from Japan, Malaysia, China, United Kingdom (UK), Singapore, UAE, India, Australia and South Korea to the country's building materials, steel, power, processed food, paint, petro chemical and garment accessories sectors, said officials.

- BEZA executive chairman informed that different world renowned big companies were coming to Bangladesh with huge investment proposals. He also added that they have signed land allocation agreements with 12 multinational companies which would make USD 5.78 billion FDI in SEZs. In addition, another USD 5 billion FDI proposal is in the pipeline, disclosed the BEZA Executive Chairman.

- BEZA executive chairman said that the 12 companies had been allocated a total of 1,810 acres of lands most of which are located in the Mirshorai and Maheshkhali economic zones. 'A few companies have planned to go on production within the next year,' he added. The BEZA executive chairman said they were developing separate SEZs for the investors of Japan, China and India.

<http://www.newagebd.net/article/63725/12-intl-cos-to-make-578b-fdi-in-economic-zones>

## **National Saving Certificate (NSC) sales go online**

- The national saving certificates online management system was launched on Sunday on trial basis, aiming at checking possible abuses in investment in the government saving tools. Initially, the online database under the Public Expenditure Management Strengthening Programme by the Finance Division will be operated at the headquarters of

Bangladesh Bank, Bangladesh Post Office, Sonali Bank and Directorate of National Savings.

- The experimental operation would help DNS detect investments beyond the individual saver's limit and fictitious investments. During the experimental operation over the next three months, buyers would be required to make payment in cheque for saving certificates worth above BDT 50,000. The operation is expected to be expanded to divisional level and district level by phases to implement the planned mandatory requirement of submission of electronic taxpayer identification number and national identity cards.

- Buyers will also require bank accounts and mobile numbers while purchasing national saving certificates and bonds. Those who have already invested in saving certificates and bonds will have to submit the same to draw profits or encash matured ones. The government has long been searching ways to check the high growth in the sales of saving certificates as more and more people in absence of better investment opportunities are buying saving certificates that offer high interest rates.

- Since 2010-11, apparel shipments to new destinations have been growing rapidly. Exports to those destinations varied from USD 200 million to USD 500 million before the stimulus package was announced. The most popular among 11 saving certificates are: 5-year Bangladesh Sanchayapatra (11.28% yield), 3-monthly Profit Bearing Sanchayapatra (11.04% ), Family Saving Certificate (11.52% ), and Pensioner Sanchayapatra (11.76% yield).

<http://www.newagebd.net/article/63718/nsc-sales-go-online>  
[http://today.thefinancialexpress.com.bd/last-page/govt-launches-savings-tools-online-database-1549216118?fbclid=IwAR3GxF-Di-fKsolGHxY8\\_BbZQsrB1ZXVvhUBw4yZ8oTVrueF41eTvJGNx9w](http://today.thefinancialexpress.com.bd/last-page/govt-launches-savings-tools-online-database-1549216118?fbclid=IwAR3GxF-Di-fKsolGHxY8_BbZQsrB1ZXVvhUBw4yZ8oTVrueF41eTvJGNx9w)

## **Bangladesh Bank's (BB) legal battle likely to end in three years**

- The Bangladesh Bank's (BB) lawyer concerned has opined that the legal battle for recovering the money, stolen from its reserve account with the Federal Reserve Bank of New York (NY Fed) in the US, might be completed within three years.

- A number of steps have been taken as preparations before filling the lawsuit by the BB's Bangladesh Financial Intelligence Unit (BFIU).

- BB and NY Fed signed a resolution and assistance agreement on February 01 to support each other until the recovery of the entire stolen money.

<http://today.thefinancialexpress.com.bd/first-page/bbs-legal-battle-likely-to-end-in-three-years-1549215704>  
<https://www.thedailystar.net/business/news/swift-says-its-helping-bb-rebuild-network-1697191>

## **Finance Minister asks tax officials to avoid SRO issuance after budget**

- Finance minister on Sunday asked National Board of Revenue to avoid issuance of statutory regulatory order (SROs) without national emergency after the passage of the

national budget in the parliament. At a meeting with income tax department of NBR, he also said that he would maintain consistencies in fiscal measures including tax rates in next budgets. NBR usually issues SROs giving tax exemptions.

<http://www.newagebd.net/article/63716/kamal-asks-tax-officials-to-avoid-sro-issuance-after-budget>

### **National Board of Revenue (NBR) reaping benefit**

- The National Board of Revenue logged in BDT 100 million in the last fiscal year thanks to 8-10 multinational companies' voluntary compliance with a rule that requires foreign firms to declare transactions with their overseas entities.
- More than 100 multinational companies have submitted their statements of international transactions (SITs) along with their returns.
- Arm's length pricing is when the buyer and seller of a product or service agree on a price by acting in their self-interest and are not subject to any pressure or duress from the other party. It assures third parties that there is no collusion between the buyer and the seller.
- The NBR framed the law on transfer pricing in 2012 in order to reduce the scope for illicit fund transfer and tax evasion by foreign firms. However, the law is yet to be fully implemented. Transfer pricing refers to the rules and methods for pricing transactions within and between enterprises under common ownership or control.

<https://www.thedailystar.net/business/news/nbr-reaping-benefit-1697185>

### **Rely more on national grid, not on captive power plants**

- Private sector should depend more on national grid instead of captive power plants for running their industrial units to help lessen energy cost and boost investment in the public sector.
- The unconsumed power of off-peak hour now has been a big concern for the government as it has to pay a huge amount of money as capacity charge to the private generation companies.
- The government plans to offer lower tariff for electricity consumption during the off-peak hours, he said adding that the government is now making its efforts for providing uninterrupted power supply to consumers.

<http://today.thefinancialexpress.com.bd/last-page/rely-more-on-natl-grid-not-on-captive-power-plants-1549216180>

### **Economic zones' factories to get uninterrupted power**

- New and relocated industrial units in the economic zones will be given uninterrupted power supply, Nasrul Hamid, state minister for power, said yesterday.
- Bangladesh's installed power generation capacity is 20,854MW. Actual generation was

8,744MW yesterday, according to the power division.

- Ahmad Kaikaus, secretary of the power division, said the government has set a target to increase the installed power generation to 60,000MW by 2041.

<https://www.thedailystar.net/business/news/economic-zones-factories-get-uninterrupted-power-1697182>

### **Trade deficit narrows by 11% in first half of FY2018-19**

- At the end of December 2018, trade deficit stood at USD7.66 billion, down from USD 8.62 billion last year.
- Bangladesh's trade deficit has narrowed by 11% in the first six months of the current fiscal year (FY2018-19), owing to a rise of exports and a slowdown of imports.
- During this six-month period, export earnings rose by 14.01% to USD 20.16 billion from USD17.69 billion, while import payments rose by 5.73% to USD27.82 billion from USD26.31 billion during the same period of the previous fiscal year (FY2017-18).

<https://www.dhakatribune.com/business/2019/02/04/trade-deficit-narrows-by-11-in-first-half-of-fy2018-19>  
<http://www.newagebd.net/article/63828/trade-deficit-drops-by-11%-in-h1>

### **Banks waive BDT 4.22 billion interest in 9 months against default loans**

- Banks waived interests amounting to BDT 4.22 billion against their bad loans in the first nine months of 2018, as habitual defaulters continue to enjoy impunity for their delinquency. This is, however, 48% down from BDT 8.19 billion in the same period a year ago, largely because some waivers were not duly reported to the central bank by the lenders.
- Banks' non-performing loans hit nearly BDT 1 trillion at the end of September last year -- the largest yet in Bangladesh's 48-year-history.
- In the same quarter, the amount of toxic loans increased 11.23% to BDT 993.70 billion. The amount is up 24% from a year earlier. Some BDT 7.64 billion was waived in 2016 and BDT 17.53 billion in 2017.

<https://www.thedailystar.net/business/news/banks-waive-BDT-422cr-interest-9-months-against-default-loans-1697683>

### **'Bankers book evidence act' in the pipeline**

- The government has made a move to make a new 'bankers book evidence act' which will accommodate all new banking products and services. The proposed act will replace the age-old British rule styled the 'Bankers Book Act 1891'.
- The banking accounts maintenance tools will be admissible by courts as legal documents.
- The colonial act does not include modern banking products and services like automated

teller machine, online payment, credit card and the like. As a result, any transaction through new devices cannot be meant for "official copy" for legal purposes to settle a case.

- The Financial Institutions Division under the Ministry of Finance has already prepared a draft to this end.

<http://today.thefinancialexpress.com.bd/first-page/bankers-book-evidence-act-in-the-pipeline-1549301442>

### **State-owned financial entities indifferent to timely settlement**

- A total of 38,729 audit objections, involving a sum over BDT 1.48 trillion, with different state-run banks and agencies, including the Bangladesh Bank (BB), have long remained unresolved.

- The audit objections, raised by the Commercial Audit Directorate under the office of Comptroller and Auditor General (CAG), remained pending against the central bank, ten state-owned banks and five state agencies as of December 2018.

- Of the total, 36,179 objections involving BDT 1.28 trillion are against five state-owned commercial banks and five specialized banks.

- The number of audit objections with Bangladesh Bank (BB) stands at 1,035, involving over BDT 116.344 billion. Of the banks, the state-owned Janata Bank alone has 5724 unsettled audit objections involving BDT 395.93 billion, according to a finance ministry report.

<http://today.thefinancialexpress.com.bd/first-page/state-owned-financial-entities-indifferent-to-timely-settlement-1549301077>

### **Move to import Liquefied Natural Gas (LNG) from spot market**

- The state-run Petrobangla has planned to import around one-fourth of the country's total LNG requirement from the spot LNG market to keep open the option of sourcing the fuel from diverse sources.

- The remaining volume of liquefied natural gas (LNG) would be procured from long-term suppliers, a senior official of the state-run agency said.

- Petrobangla has already initiated deals with a total of 15 global suppliers to import LNG from the spot market. The companies include Mitsui, ENI, Total, AOT Energy, Woodside Petroleum Ltd., Chevron Corp, Gunvor and local Summit Group.

- Currently, Bangladesh has been importing LNG from two long-term suppliers -- Qatar's RasGas and Oman's Oman Trading International (OTI) -- to re-gasify LNG in the lone operational 3.75 million tonne per annum (Mtpa) FSRU owned by the US-based Excelerate Energy at Moheshkhali island in the Bay of Bengal.

<http://today.thefinancialexpress.com.bd/last-page/move-to-import-lng-from-spot-market-1549301687>

### **National Board of Revenue (NBR) misses VAT collection target in first half of FY2018-19**

- The National Board of Revenue (NBR) has collected BDT 384.53 billion in VAT, during the first half of the ongoing 2018-19 fiscal year, against a set target of BDT 500.25 billion, according to the board's data, lagging behind by BDT 115.72 billion.

- During an internal meeting held to review and analyze key reasons behind the revenue collection shortfall, eight issues were identified, including changes in rates taken in the annual budget and uncollected VAT from Bangladesh Petroleum Corporation (BPC).

<https://www.dhakatribune.com/business/2019/02/04/nbr-misses-vat-collection-target-in-first-half-of-fy2018-19>

### **US keen to invest more in BD : Envoy**

- The United States is eager to invest more in Bangladesh as the country (Bangladesh) has a potential market.

- Newly appointed US Ambassador to Bangladesh Earl Robert Miller expressed his country's interest while talking to reporters after he met with Commerce Minister.

- The envoy has also emphasised that a strong Bangladesh-US trade relationship is in the interest of the Bangladeshis and American people.

- During the meeting, they discussed on Accord and Alliance issues, the minister said, adding that the envoy assured them that he will work to increase US investment in Bangladesh.

<http://today.thefinancialexpress.com.bd/trade-market/us-keen-to-invest-more-in-bd-envoy-1549387445>

### **Foreign aid budget to be slashed**

- The government is likely to revise down the foreign aid allocation by 15% in fiscal 2018-19 -- at a time when there is a record high level of the low-cost fund sitting idle in the pipeline.

- Foreign aid allocation would now be BDT 510.00 billion (USD 6.09 billion), down from BDT 600.00 billion (USD 7.17 billion) earmarked at the beginning of the fiscal year.

- Of the BDT 90.00 billion shaved off from this fiscal year's foreign aid allocation, BDT 50.00 billion would come from the transport sector as it finds its various mega projects falling behind schedule due to problems in land acquisition.

- One such project is the Padma Bridge Rail Link, which has failed to utilise a single paisa from its foreign aid portion in the first five months of fiscal 2018-19. The project was initially allotted BDT 30.00 billion in foreign aid, but it would now be cut down to BDT 13.00 billion.

<https://www.thedailystar.net/business/news/foreign-aid-budget-be-slashed-1698133>

## Hunt is on for way to ease NPL pressure

- The central bank is trying to find a way out to ease pressure of defaulted loans that have already reached an alarming level in the country's banking system. It has already formed three committees to prepare a set of recommendations for amending three relevant pieces of law and regulations to help reduce the volume of classified loans.
- They are now working to submit the recommendations to the finance ministry for amending the Banking Companies Act, Bankruptcy Act and Negotiable Instrument Act along with Merger and Acquisition (M&A) regulation.
- The Bangladesh Bank (BB) aims to recover non-performing loans (NPLs), particularly from the wilful ones, through reforming the existing acts and regulations. The share of defaulted loans reached 11.45% at the end of September 2018 after registering at 10% during the period between 2013 and 2017.

<http://today.thefinancialexpress.com.bd/first-page/hunt-is-on-for-way-to-ease-npl-pressure-1549388678>  
<https://www.thedailystar.net/business/banking/news/bb-moves-amend-bankruptcy-act-1698106>  
<https://www.dhakatribune.com/business/2019/02/05/bangladesh-bank-to-meet-bank-mds-and-legal-experts-on-wednesday>  
<http://www.newagebd.net/article/63934/multiparty-meet-today-over-legal-barriers-to-cutting-bad-loans>  
<http://www.newagebd.net/article/63931/bb-to-relax-bank-loan-write-off-policy>

## A handful of companies dominate pharma market

- More than 68% of the local pharmaceutical market is now being dominated by only 10 companies, although a total of 204 are registered with the authority concerned.
- The size of local pharmaceutical market stood at BDT 205.12 billion in 2018. The industry recorded a 16.51% growth between 2014 and 2018.
- Only five companies hold 46.66% of the market share. Square accounted for the highest 16.95% market share with annual sales worth BDT 34.76 billion in 2018. It is followed by Incepta Pharma with 11.08% market share, Beximco with 8.26 per cent, Renata with 5.20 per cent, and Healthcare Pharma 5.17 per cent.
- Terming the market dominance by the top 10 companies 'not a big concentration', Centre for Policy Dialogue (CPD) Distinguished Fellow said the companies are in the business from the very beginning, both in the local and foreign markets.
- Medicines for acidity under the therapeutic class of anti-ulcerants have become the major revenue driver for the local pharmaceutical industry in the country. Drugs worth BDT 30.13 billion under this class were sold last calendar year.

<http://today.thefinancialexpress.com.bd/first-page/a-handful-of-companies-dominate-pharma-mkt-1549388629>  
<http://www.newagebd.net/article/63935/top-10-pharma-cos-keep-holding-nearly-68pc-of->

## [market-data](#)

### BD gets USD 28 billion in foreign investment in five years

- Bangladesh received more than USD 28 billion in investment from 45 countries in the last five years with China investing the highest amount of USD 8.11 billion, reports UNB. According to the BIDA's statistics, the top ten countries in terms of investment size are: China (USD 8107 million), the UAE (USD 7836 million), Saudi Arabia (USD 2461 million), Singapore (USD 2261 million), the UK (USD 1962 million), The Netherlands (USD 1744 million), the USA (USD 1219 million), India (USD 976 million), Thailand (USD 637 million) and Japan (USD 384 million).
- In a scripted answer, the state minister also said the country's diplomatic missions are maintaining good relations with different organisations, multi-national companies alongside different governments as part of their efforts to increase foreign investment in Bangladesh and expand trade further.
- Besides, he said, efforts are on to sign various investment and trade related economic deals with new countries alongside taking steps for strengthening trade and investment ties with the neighbouring and regional countries. As per the directives of the Prime Minister, Shahriar said, their ministry is working to bring dynamism into the economic diplomacy by increasing coordination and cooperation with Commerce Ministry and different relevant government bodies in a bid to implement the Awami League's election manifesto and achieve the goal of 10% GDP by 2023.

<http://today.thefinancialexpress.com.bd/last-page/bd-gets-28b-in-foreign-investment-in-five-yrs-1549476395>  
<http://www.newagebd.net/article/64027/export-earnings-jump-to-24b-in-seven-months>

### Export earnings grow 13.39% in July-Jan period of FY '19

- Earnings from the country's merchandise exports in the first seven months of the current fiscal year (FY) stood at USD 24.17 billion, marking a 13.39% growth over the corresponding period of last fiscal, according to official data. The exports fetched USD21.32 billion during the July-January period of FY 2017-18.
- The export performance was 7.91% higher than the target set for the seven-month period of this FY, data showed. The single month earnings in January last grew by 7.95% to USD3.67 billion from USD3.40 billion in the same month last year, according to the Export Promotion Bureau (EPB) data released on Wednesday.
- The January performance also surpassed the target set for the month by 1.59%. The earnings from export of readymade garments (RMG) during the July-January period of the current FY grew by 14.51% to USD20.21 billion from USD17.65 billion in the corresponding period of last fiscal, according to the EPB data.
- When asked, Bangladesh Garment Manufacturers and Exporters Association (BGMEA) President termed the RMG export growth 'good' and attributed it to the safety measures taken by the industry.



<http://today.thefinancialexpress.com.bd/trade-market/export-earnings-grow-1339pc-in-july-jan-period-of-fy-19-1549474616>  
<https://www.thedailystar.net/business/news/exports-rise-792pc-1698550>

### **Bangladesh Bank (BB) issues new loan write-off policy**

- All banks in the country have to create a separate debt cancellation unit to recover loans that were written off to cleanse balance sheets while reducing tax burden. The latest instruction also bars banks to reschedule or restructure loans already written-off by the banks. While loans are written off as an accounting practice, the claim on these loans is not scrapped and banks have to keep adequate provisions against the same amount.
- Bangladesh Bank first issued loan write-off policy in 2003. Two revised instructions were also issued in 2004 and 2013 through official circulars. With the latest circular coming into effect, all the previous instructions become null and void, according to the central bank's notification. It also said that there would be no partial write-off and the bank management has to get prior approval for writing off any loan account.
- Despite being written-off, loan account of any borrower has to be classified as default borrower unless he/she fully settles all his liabilities with banks and banks have to regularly submit report on the loan written-off to the Credit Information Bureau (CIB) of Bangladesh Bank.

<http://today.thefinancialexpress.com.bd/first-page/bb-issues-new-loan-write-off-policy-1549475842>  
<http://www.newagebd.net/article/64028/banks-capacity-to-write-off-loans-enhanced>

### **Move to reduce NPLs through implementation of laws**

- Senior bankers and law minister are likely to meet the High Court judges and Attorney General's Office to discuss the ways of reducing troubled loans through effective implementation of existing laws. Necessary amendment to the existing laws relating to banking will be discussed at the high-level meeting, according to participants.
- Both regulators and bankers are now working on how to reduce the amount of non-performing loans (NPLs) in the banking system, the ABB chief said. The central bank may submit its recommendations for amending relevant laws and regulations after detailed scrutiny to the ministry of finance to help reduce the volume of NPLs, according to BB executive director and spokesperson.
- The central bank has already formed three committees to prepare a set of recommendations for amending three relevant pieces of laws and regulations to help reduce the volume of default loans. The committees are now working to submit the recommendations to the finance ministry for amending the Banking Companies Act, Bankruptcy Act and Negotiable Instrument Act along with Merger and Acquisition (M&A) regulations, another BB official said.
- The central bank's latest moves came against the backdrop of a rising trend in loan defaults in the country's banking system in recent months. The volume of NPLs jumped by nearly 34% or BDT 250.67 billion to BDT 993.70 billion as on September 30, 2018, from

BDT 743.03 billion as on December 31, 2017, according to the BB data.

- The share of classified loans also rose to 11.45% of the total outstanding loans in September 2018 from 9.31% in December 2017. The defaulted loans include substandard, doubtful and bad/loss of total outstanding credits, which stood at BDT 8,680.07 billion as on September 30, 2018, from BDT 7,981.96 billion as on December 31, 2017.

<http://today.thefinancialexpress.com.bd/first-page/move-to-reduce-npls-thru-implementation-of-laws-1549475794>  
<https://www.thedailystar.net/business/news/bb-may-seek-opinions-minister-legal-experts-1698547>

### **All banks to face special audit soon**

- The government will carry out special audit in every bank of the country to bring the loan defaulters under increased scrutiny, said Finance Minister. He added that each and every bank of the country will come under this special auditing. The main purpose of this auditing is to help the banks get rid of bad loans.
- They need to identify who are the genuine borrowers and who are the wilful defaulters. They need to monitor how the bank loans are being used. They will soon engage three auditing firms to conduct this special auditing

<http://today.thefinancialexpress.com.bd/first-page/all-banks-to-face-special-audit-soon-1549475626>  
<https://www.thedailystar.net/business/news/govt-conduct-special-audit-banks-kamal-1698556>

### **Lenders vying for customers at REHAB fair**

- More than a dozen lenders are competing with each other to lure prospective home loan borrowers at a housing fair that kicked off in the capital yesterday. Most of the 14 banks and non-bank financial institutions that are taking part in the REHAB Fair 2019 are offering home loans with an interest rate of 10% and others at 11-12 percent.
- The middle and lower-middle income people who dream to live in their own apartments find the presence of the lenders at the fair to be very convenient. The assistant relationship manager for the retail banking division of Mutual Trust Bank (MTB), said they were offering "a special rate" for home loans marking the fair to materialise the dreams of customers.
- The interest rate is 9.99 percent. A loan processing fee of 0.50% has to be paid alongside. A maximum of 70% of the property or apartment value can be borrowed, starting from BDT 0.5 million to BDT 12.0 million, and the repayment tenure ranges from three to 25 years, he again added.

<https://www.thedailystar.net/business/news/lenders-vying-customers-rehab-fair-1698568>

## Important News: Capital Market

### Janata bad loans up by BDT 28.68 billion in 3 months

- The scam-hit Janata Bank has BDT 28.68 billion more added to its piles of defaulted loans in the past three months mainly due to the failure of two of its clients to repay loans.
- The total amount of bad loans of the state-owned bank stood at BDT 17,304 as of December 2018, a threefold increase on BDT 5,818 as of December 2017.
- The sharp increase in defaulted loans has largely been attributed to the failure by the bank's clients Crescent Group and AnonTex to clear the loan repayment.
- A Janata Bank deputy general manager, informed that the entire loan of BDT 35.72 billion given by the bank to five subsidiaries of the Crescent Group became defaulted.

<http://www.newagebd.net/article/63632/janata-bad-loans-up-by-BDT-2868cr-in-3-months>

### 38,244 new BO accounts in January amid stocks' surge

- The number of beneficiary owners' accounts at the country's stock market has risen by nearly 2,000 per trading day on average after the December 30 national elections amid bullish vibes at the market.
- In 20 trading sessions in January this year, 38,244 BO accounts were opened.
- As of January 31, the number of BO accounts stood at 2,817,041 while the figure was 2,778,797 as of December 31 last year. The number also hit a 18-month high after July 10, 2017 when it was 2,819,707.
- Investors usually open new BO accounts or revive their suspended ones when they find the primary and secondary market vibrant, according to the market operators.

<http://www.newagebd.net/article/63526/38244-new-bo-accounts-in-jan-amid-stocks-surge>

### Dhaka Stock Exchange (DSE) approves 5.0% cash dividend

- The shareholders of the Dhaka Stock Exchange (DSE) has approved 5.0% cash dividend, among others, earlier recommended for the year ended on June 30, 2018.
- Along with appointing auditor for next fiscal year, the shareholders also approved directors' report, auditors' statements, and audited financial statement for the year ended on June 30, 2018.

<http://today.thefinancialexpress.com.bd/trade-market/dse-approves-50pc-cash-dividend-1549034506>

### ACI to bring 'smart' tractors

- ACI Motors, a unit of ACI, is set to introduce hi-tech tractors that will simplify the lives of farmers and maximize their income.

- The tractors will be from Yanmar, a Japanese heavy equipment manufacturer, which last week unveiled two new models that are fuel-efficient and can be accessed through a smartphone.

- The two variants -- YM357A and YM351A -- were launched at a ceremony in the Thai capital and are expected to hit the market in Southeast Asia this year before becoming available globally.

- The tractors, which were introduced as part of the Yanmar's bid to boost its market share in Southeast Asia, have engine outputs of 57 and 51 horsepower respectively and can work both rice paddies and dry fields and haul loads.

- The tractors have the SmartAssist technology, which allows operators to see where and how the tractors are working in the field via a smartphone.

<https://www.thedailystar.net/business/news/aci-bring-smart-tractors-1696732>

### Intraco Refuelling moves to merge its five subsidiary companies

- The Intraco Refuelling Station Limited (IRSL) has decided to merge its five subsidiary companies with itself to reduce the 'management cost' and avail 'tax benefit'.

- The boards of directors of the IRSL and subsidiary companies have decided in a meeting that the parent company, IRSL, will take over all assets and liabilities of the five subsidiaries through merger.

- The subsidiary companies of the IRSL are Absar & Elias Enterprises, East End Automobiles, M Hye & Co. CNG Refuelling Station, Good CNG Refueling Station and Nessa & Sons.

- Following the merger, the IRSL can avail tax benefit i.e. 25% tax rate instead of 35% tax rate for all five subsidiaries companies, according to the disclosure. Moreover, the merger will help avoid double taxation in case of dividend declared by the subsidiaries companies.

<http://today.thefinancialexpress.com.bd/stock-corporate/intraco-refuelling-moves-to-merge-its-five-subsiidiary-companies-1548952773>

### Prime Bank rolls out 'PrimeDiGi'

- Prime Bank has introduced 'PrimeDiGi', the first ever digital savings account in the country, mainly targeting the youths. This savings account can be opened at anytime and anywhere.

- Customers will not need to go to any branch of the bank for opening the savings accounts and also no initial deposit is required.

- Under PrimeDiGi, customers will get various services, including balance inquiry, account

statement, fund transfer, credit card payment, utility bill payment, mobile recharge, insurance premium payment, transaction history etc.

<http://today.thefinancialexpress.com.bd/stock-corporate/prime-bank-rolls-out-primedigi-1548952913>

<https://www.thedailystar.net/business/banking/news/prime-bank-brings-digital-savings-account-1695793>

<https://www.dhakatribune.com/business/banks/2019/02/01/prime-bank-introduces-digital-savings-account-prime-dg>

### **Pran bags USD 2 million export orders at German fair**

- Pran, a leading local food processor, secured export orders worth USD 2 million at ISM Fair in Cologne, Germany. About 1,700 exhibitors from different countries took part in the four-day show that began on January 27 to display processed foods, especially sweets and snacks.

- Pran displayed over 200 products, including 10 new ones. Pran has brought huge changes to the 'sweets and snacks' category in Bangladesh. As a result, demand for their products rose both at home and abroad, according to the chief operating officer of Pran Export Limited.

<https://www.thedailystar.net/business/news/pran-bags-2m-export-orders-german-fair-1695778>

### **Genex Infosys to make debut February 6**

- Genex Infosys Ltd, an IT company, will make its share trading debut on February 06 (Wednesday) on the bourses under "N" category. Genex Infosys will be the 9th company under the IT sector on the Dhaka Stock Exchange (DSE).

- The company raised a fund worth BDT 200 million from the capital market under the fixed price method by offloading 20 million ordinary shares at an offer price of BDT 10 each under the fixed price method.

- The share subscription for the initial public offering (IPO) of Genex Infosys took place between November 18 and November 29 last year. The company's IPO was oversubscribed by nearly 36 times as total subscription received BDT 7.15 billion against IPO issue of BDT 200 million.

- Genex Infosys will utilise the IPO proceeds for expansion of call centre business (61.50%), partial long-term loan repayment (30%) and the IPO expenses 8.50%.

<http://today.thefinancialexpress.com.bd/stock-corporate/genex-infosys-to-make-debut-feb-6-1549123854>

### **January foreign investment at Dhaka Stock Exchange (DSE) turns positive after 3 months**

- The net foreign investment at Dhaka Stock Exchange turned positive in January after

remaining negative three months on the trot amid political calm after the December 30 general election. The foreign investors bought shares worth BDT 4.95 billion in January against their sales of shares worth BDT 3.19 billion with the net investment standing at BDT 1.75 billion.

- In December last year, the net foreign portfolio investment was BDT 1.01 billion negative as the foreigners bought shares worth BDT 2.46 billion against their sales of shares worth BDT 3.47 billion. The net position of the overseas investment was BDT 225.0 million negative in November and BDT 2.01 billion negative in October. The polls-centric political uncertainties that weighed on the capital market last year eased after the national elections, market experts said.

- They said that the foreigner investors anticipated that the stock market in Bangladesh would improve this year. The key DSE index, DSEX, gained 435.37 points in last month to close at 5,821.01 points on January 31. The daily average turnover was BDT 9.72 billion in the month. Political uncertainties in the election year, depreciation of the taka against the USD and woes in the country's banking sector played the key role in the foreigners' exit from the country's stock market in 2018.

- The net foreign trading was BDT 5.93 billion negative in 2018 with nine months of negative figures. The total foreign turnover on DSE also surged to BDT 8.15 billion in January from that of BDT 5.93 billion in the previous month. The net overseas investment at the bourse was negative BDT 6.76 billion in the year of market crash (2010).

<http://www.newagebd.net/article/63624/h1-import-payments-cross-27b>

<https://www.dhakatribune.com/business/2019/02/03/net-foreign-investment-at-dse-positive-in-january>

[http://today.thefinancialexpress.com.bd/stock-corporate/foreign-fund-flow-in-stocks-turns-around-1549211674?fbclid=IwAR2YNO5rfVvQZuWo\\_QQWyxwslxM5PliG\\_ChMTXvJLRFJUBfMjYV84ICtiQE](http://today.thefinancialexpress.com.bd/stock-corporate/foreign-fund-flow-in-stocks-turns-around-1549211674?fbclid=IwAR2YNO5rfVvQZuWo_QQWyxwslxM5PliG_ChMTXvJLRFJUBfMjYV84ICtiQE)

### **Government earnings from Dhaka Stock Exchange (DSE) fall 14% in July-January**

- The government revenue earnings from the Dhaka Stock Exchange (DSE) fell 14 % in July-January period of the current fiscal year on the back of falling trade volumes.

- Market insiders said sluggish market trend coupled with low share sales by sponsor-directors and placement holders during the period affected the government revenue earnings from the prime bourse.

- The government collected revenue worth BDT 1394 million in seven months (July-January) in the current fiscal year which was BDT 1613 million in the corresponding period of the previous fiscal.

- However, the government earnings from the DSE rose sharply by 126 % month-on-month in January 2019 to BDT 326 million amid rising trading activities after the national elections.

<http://today.thefinancialexpress.com.bd/stock-corporate/govt-earnings-from-dse-fall-14%-in-july-january-1549302930>

### Overseas investors back to stock markets

- Net foreign investment in the Dhaka Stock Exchange bounced back in January as investors shook off the election jitters.
- Last month, foreign investors bought shares worth BDT 4.95 billion and sold shares worth BDT 3.19 billion, taking their net investment to BDT 1.75 billion.
- In December, it stood at BDT 1.01 billion in the negative, as fears of political uncertainty centring the national polls on December 30 reigned supreme. Foreign investors have started gaining confidence after the 11th parliamentary elections according to the secretary general of the Bangladesh Merchant Bankers Association.

<https://www.thedailystar.net/business/news/overseas-investors-back-stock-markets-1698118>

### CDBL to stop share sales sans declaration

- The securities regulator has asked the Central Depository Bangladesh Limited (CDBL) to strictly enforce the 'mandatory declarations' requirement in the case of share transfer by the sponsor-directors and placement shareholders of listed companies.
- The Bangladesh Securities and Exchange Commission (BSEC) instructed the CDBL to find a way of containing the share sales executed without declarations.
- The Managing director and CEO of the CDBL, said they have already started the job of including a module in their software. The vendor appointed by the CDBL is working to develop a module so that no sponsor-director or placement holder is able to transfer his or her shares without declaration.
- As per section 34 of the listing regulations, Every sponsor or director or placement holder of an issuer of listed securities shall simultaneously submit a written report to the exchange and to the commission about his intention to buy or sell or otherwise dispose of the securities of the issuer held by him in that issuer along with his declaration.
- The government realises 5.0% tax from the sales of shares by sponsor-directors.

<http://today.thefinancialexpress.com.bd/last-page/cdbl-to-stop-share-sales-sans-declaration-1549389003>

