

Capital Market Overview

The market closed in green this week. The benchmark index DSEX (+0.49%) gained 28.27 points and closed the week at 5,825.57 points. The blue-chip index DS30 (-0.11%) lost 2.26 points and stood at 2,009.49 points. The shariah based index DSES (-0.67%) lost 8.86 points and stood at 1,309.80 points. DSEX, DS30 and DSES all posted positive YTD return of +8.17%, +6.84%, and +6.24% respectively.

Total Turnover During The Week (DSE) : BDT 52.7 billion (USD 634.1 million)
Average Daily Turnover Value (ADTV): BDT 10.5 billion ($\Delta\%$ Week: +7.0%)

Market P/E: 18.12x
Market P/B: 2.30x

Daily Index Movement during the Week:

The market performed five sessions during this week. Market opened this week with a positive movement of 1.09% in the first session. Then the market turned negative in the second session by 0.41%. In the third session the market rebounded by 0.46%. Then market continued to be negative in the fourth and fifth session by 0.41% and 0.24%.

Sectoral Performance:

- Financial sectors showed positive performance this week except Mutual Fund (-0.64%). General Insurance posted highest gain by 13.54% followed by Life Insurance (+3.97%), NBFIs (+2.63%) and Banks (+0.68%).
- The non-financial sectors mixed performance this week. Engineering posted highest gain by 5.10% followed by Power (+2.29%). Telecommunication recorded the highest loss of 3.42% followed by Food & Allied (-0.12%) and Pharmaceuticals (-0.09%).

Macroeconomic arena:

- The government's higher borrowing from both the central bank and commercial banks is set to pick up mainly due to revenue shortfall in recent months. Under the proposed bank borrowing, the government will borrow BDT 239.65 billion by issuing long-term bonds, while the remaining BDT 180.64 billion through T-bills.
- The interest rate on lending is on the rise amid high import pressure and hunt for deposits at the end of last year. Despite the slow credit growth before the election the interest rate kept rising as banks mobilized deposits at higher rates to adjust their loan-deposit ratio ahead of the March deadline.
- The government is set to create a database of buyers of government-sponsored savings instruments. From February next, the savers will require national identity cards, bank accounts, mobile numbers and tax-identification numbers while purchasing the national savings certificates and bonds.
- The number of mobile internet users declined for the second consecutive month in December, 2018. At the end of December, the number of mobile phone-based internet connections declined by 0.47 million to 85.6 million from 86.0 million in November. The figure was 86.7 million at the end of October.

Stock Market arena:

- The number of mobile internet users declined for the second consecutive month in December, 2018. At the end of December, the number of mobile phone-based internet connections declined by 0.47 million to 85.6 million from 86.0 million in November. The figure was 86.7 million at the end of October.
- The initial public offering (IPO) of Runner Auto-mob-iles will open for subscription on January 31, seeking to raise BDT 1.0 billion from the capital market under the book-building method. The last date for subscription is February 10. Runner Automobiles, the flagship company of Runner Group, will allot a total of more than 13.93 million ordinary shares.
- Telecom giant Grameenphone is losing the highest number of customers through the roll-out of mobile number portability (MNP) service. 72,005 GP subscribers have moved to Robi from other operators while 20,406 subscribers have switched from Robi.
- Walton Hi-Tech Industries Limited (WHIL) will hold IPO (initial public offering) road show for eligible institutional investors today (Tuesday) as part of going public under book building method.

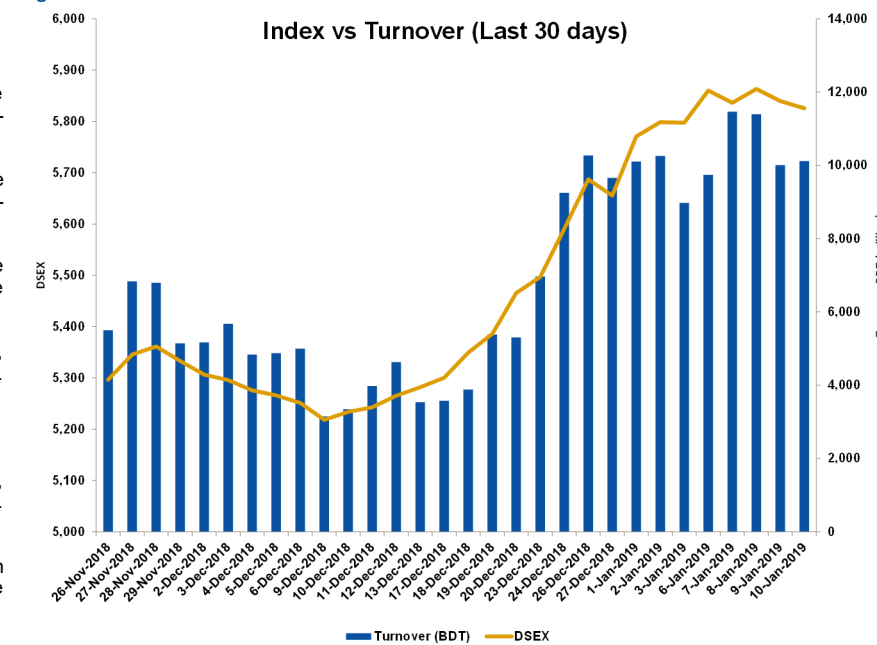
Table 1: Index

Index	Closing	Opening	Δ (Pts)	31-Dec-2016	$\Delta\%$ Week	$\Delta\%$ YTD
DSEX	5,825.57	5,797.30	28.27	5,385.64	0.49%	8.17%
DS30	2,009.49	2,011.74	-2.26	1,880.78	-0.11%	6.84%
DSES	1,309.80	1,318.66	-8.86	1,232.82	-0.67%	6.24%

Table 2: Market Statistics

		This Week	Last Week	%Change
Mcap	Mn BDT	20,656,500.8	20,328,741.8	1.6%
	Mn USD	248,484.3	244,541.6	
Turnover	Mn BDT	52,716.8	49,256.5	7.0%
	Mn USD	634.1	592.5	
Average Daily Turnover	Mn BDT	10,543.4	9,851.3	7.0%
	Mn USD	126.8	118.5	
Volume	Mn Shares	1,344.1	1,411.1	-4.8%

Figure 1: DSEX & Turnover in last four weeks



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Table 3: Top Ten Gainers

Company Name	Close	Open	Δ%	Mcap	Vol (mn BDT)	P/E	P/B
S. S. Steel Limited	50.10	10.00	401.0%	12,274.5	381.77	46.3x	3.1x
Agrani Ins Co. Ltd.	32	20.90	53.6%	924.6	379.29	18.3x	2.0x
Sonar Bangla Ins	27.00	17.60	53.4%	1,019.9	417.19	18.5x	1.8x
United Finance Limited	27.50	19.80	38.9%	5,145.7	620.63	16.4x	1.7x
United Insurance	58.20	43.90	32.6%	2,444.4	262.73	20.3x	2.0x
Federal Insurance	15.20	11.60	31.0%	979.4	231.87	31.2x	1.4x
Karnaphuli Insurance	22.90	17.50	30.9%	978.7	177.18	17.7x	1.5x
Eastern Insurance	41.10	32.50	26.5%	1,771.8	91.45	12.2x	1.4x
City General Insurance	19.20	15.60	23.1%	1,308.8	170.78	14.1x	1.4x
Purabi Insurance	18.20	14.90	22.1%	1,006.6	226.39	18.6x	1.6x

Table 4: Top Ten Losers

Company Name	Close	Open	Δ%	Mcap (mn BDT)	Vol (mn BDT)	P/E	P/B
Meghna Condensed Milk	23.80	30.70	-22.5%	380.8	12.16	NM	NM
Meghna Pet Industries	16.60	21.00	-21.0%	199.2	4.19	NM	NM
Beach Hatchery Ltd.	13.90	17.00	-18.2%	575.5	22.60	NM	1.2x
Tung Hai Knitting & Dyeing Limited	5.20	6.20	-16.1%	554.6	6.71	5.3x	0.4x
United Airways (BD) Ltd.	3.00	3.50	-14.3%	2,484.3	21.48	12.8x	0.3x
Imam Button	26.10	30.20	-13.6%	201.0	2.85	NM	3.1x
Beximco Synthetics	8.20	9.40	-12.8%	711.0	5.67	NM	0.4x
C & A Textiles Limited	4.80	5.40	-11.1%	1,148.7	16.21	4.7x	0.3x
Bengal Windsor Thermoplastics Ltd	31.30	34.80	-10.1%	2,863.2	25.57	18.6x	1.7x
Information Services Network Ltd.	28.50	31.60	-9.8%	323.7	9.70	NM	2.0x

Table 5: Top Ten Most Traded Shares

Company Name	Close	Open	Δ%	Mcap	Vol (mn BDT)	P/E	P/B
Khulna Power Company Limited	64.80	65.30	-0.8%	25,752.4	1,715.77	14.1x	2.8x
BBS Cables Limited	108.00	110.60	-2.4%	17,139.6	1,321.26	41.5x	6.8x
Olympic Industries	255.70	258.40	-1.0%	51,124.4	1,264.16	31.1x	9.4x
JMI Syringes & Medical Devices Ltd	463.00	388.60	19.1%	5,093.0	859.33	68.3x	7.2x
United Power Generation & Distribution Company Ltd	346.20	323.60	7.0%	165,859.9	829.24	39.7x	14.4x
BRAC Bank	80.90	79.80	1.4%	86,765.3	796.60	22.3x	4.5x
Singer Bangladesh	233.30	235.90	-1.1%	17,892.8	790.86	32.8x	10.1x
Active Fine Chemicals Limited	29.70	29.80	-0.3%	7,126.1	784.46	12.9x	2.1x
Dhaka Bank	18.40	17.40	5.7%	14,951.5	777.04	9.6x	0.9x
Al-Haj Textile	108.50	109.20	-0.6%	2,419.4	675.46	75.6x	9.1x

Table 8: Most Appreciated YTD in BRAC EPL Universe

Top 10 Most Appreciated Stocks	Close	Δ% YTD	Mcap (mn BDT)	P/E
Berger Paints	1,386.90	34.45%	64,321.5	31.8x
Prime Islami Life Ins	71.20	29.69%	2,173.0	NM
Pioneer Insurance	37.80	23.93%	2,645.3	21.0x
United Finance Limited	27.50	21.32%	5,145.7	16.4x
Pragati Insurance	34.30	20.86%	2,102.6	15.9x
Singer Bangladesh	233.30	19.34%	17,892.8	32.8x
Summit Power	42.40	18.11%	45,278.0	10.4x
Mutual Trust Bank	35.80	15.07%	20,526.4	14.0x
Jamuna Bank	20.50	13.68%	15,359.1	8.6x
Atlas Bangladesh	135.70	13.60%	4,495.3	NM

Table 6: Sector Indices

Sector Name	Week Close	Week Open	Year Open	%Δ Week	%Δ YTD
Banks	1571.31	1560.73	1848.21	0.68%	-14.98%
NBFIs	2430.51	2368.23	2714.85	2.63%	-10.47%
Mutual Funds	705.74	710.27	788.81	-0.64%	-10.53%
General Insurance	1947.72	1715.45	1592.30	13.54%	22.32%
Life Insurance	2436.10	2342.97	1834.85	3.97%	32.77%
Telecommunication	5227.62	5412.86	6494.31	-3.42%	-19.50%
Pharmaceuticals	2799.95	2802.52	2821.05	-0.09%	-0.75%
Fuel & Power	1946.67	1903.05	1527.27	2.29%	27.46%
Cement	1757.63	1779.35	2280.58	-1.22%	-22.93%
Services & Real Estate	1083.42	1100.33	1224.11	-1.54%	-11.49%
Engineering	3335.31	3173.32	3166.83	5.10%	5.32%
Food & Allied	15307.01	15325.47	15304.34	-0.12%	0.02%
IT	1650.72	1678.63	1484.41	-1.66%	11.20%
Textiles	1527.42	1559.55	1222.72	-2.06%	24.92%
Paper & Printing	9500.87	9713.82	1013.11	-2.19%	837.79%
Tannery	2607.44	2609.36	2642.41	-0.07%	-1.32%
Jute	23788.74	24386.91	8867.22	-2.45%	168.28%
Ceramics	634.96	633.09	597.46	0.30%	6.28%
Miscellaneous	2045.95	2012.78	1725.62	1.65%	18.56%

Table 7: Sector Trading Matrix

Sector Name	Daily average this Week	Daily average last week	% Change	% of Total Turnover	P/E	P/B
Banks	981.1	1,224.0	-19.84%	9.40%	10.1x	1.1x
NBFIs	914.7	575.7	58.90%	8.76%	23.3x	2.3x
Mutual Funds	39.3	59.9	-34.28%	0.38%	NM	0.6x
General Insurance	981.2	431.9	127.20%	9.40%	17.7x	1.3x
Life Insurance	511.8	338.1	51.37%	4.90%	NM	10.1x
Telecommunication	129.8	176.0	-26.28%	1.24%	23.0x	16.9x
Pharmaceuticals	1,136.2	1,093.3	3.93%	10.89%	21.1x	3.4x
Fuel & Power	1,078.4	771.1	39.86%	10.33%	16.5x	2.5x
Cement	92.0	147.5	-37.64%	0.88%	19.7x	3.2x
Services & Real Estate	181.2	169.3	7.04%	1.74%	27.4x	0.9x
Engineering	1,410.4	1,447.6	-2.57%	13.51%	25.0x	2.3x
Food & Allied	600.8	520.8	15.36%	5.76%	31.1x	10.8x
IT	335.1	382.2	-12.33%	3.21%	31.9x	3.3x
Textiles	1,278.0	1,659.4	-22.98%	12.24%	23.5x	1.3x
Paper & Printing	49.8	64.4	-22.70%	0.48%	NM	5.1x
Tannery	136.9	105.8	29.46%	1.31%	19.9x	3.2x
Jute	84.4	67.5	24.92%	0.81%	NM	10.1x
Ceramics	91.1	87.6	4.07%	0.87%	30.6x	2.4x
Miscellaneous	406.2	443.0	-8.31%	3.89%	29.4x	1.3x

Table 9: Least Appreciated YTD in BRAC EPL Universe

Top 10 Least Appreciated Stocks	Close	Δ% YTD	Mcap (mn BDT)	P/E
AB Bank	13.50	-38.91%	10,234.8	6.8x
United Airways (BD) Ltd.	3.00	-35.45%	2,484.3	12.8x
Lafarge Surma Cement	45.60	-34.76%	52,958.6	23.8x
City Bank	32.30	-32.89%	31,266.0	7.7x
Islami Bank	26.30	-28.14%	42,342.8	9.5x
EXIM Bank	12.90	-25.00%	18,218.0	6.2x
Aftab Automobiles	48.20	-24.92%	4,614.3	11.7x
Eastern Bank	38.70	-24.27%	28,560.6	10.5x
Prime Bank	19.20	-22.92%	21,739.8	9.9x
RAK Ceramics Limited	42.90	-21.22%	16,690.8	18.2x

Important News: Business & Economy

Export earning post 36.21% growth: Non-traditional markets for RMG growing

- Bangladesh's apparel shipments to new export destinations have posted robust growth of 36.21% in the first half of the current fiscal year, riding mainly on enhanced cash incentive and initiatives of exporters to diversify their markets.
- In the July-December period of the current FY2018-19, earnings from apparel products from non-traditional countries reached USD 2.90 billion, up from USD 2.12 billion in the previous fiscal year (FY2017-18).
- Knitwear products earned USD 1.44 billion, which was 29.52% higher than USD 1.11 billion in the corresponding period of FY2017-18. Woven goods fetched USD 1.45 billion, up by 43.58% from USD 1.01 billion in the first half of the previous fiscal year.
- Total apparel exports of the country saw a 15.65% growth to USD 17.08 billion in the same period of the current fiscal year.
- Bangladesh's government raised cash incentives against export to non-traditional markets to 4% this fiscal year from 3% in FY2017-18, with an aim to boost exports to new markets.

<https://www.dhakatribune.com/business/2019/01/17/export-earning-post-36-21-growth-non-traditional-markets-for-rmg-growing>

Government's borrowing from banks on track to rise

- The government's higher borrowing from both the central bank and commercial banks is set to pick up mainly due to revenue shortfall in recent months.
- The government's net bank borrowing will reach BDT 23.58 billion by the end of this month, after deducting BDT 108.42 billion as maturity amount of the government securities from the gross borrowing amount.
- The government's overall net bank borrowing increased by over BDT 2.62 billion in a week to nearly BDT 51.10 billion as on January 03 from BDT 38.48 billion as on December 27 last.
- Under the proposed bank borrowing, the government will borrow BDT 239.65 billion by issuing long-term bonds, while the remaining BDT 180.64 billion through T-bills.

<http://today.thefinancialexpress.com.bd/first-page/govts-borrowing-from-banks-on-track-to-rise-1547661335>

<https://www.thedailystar.net/business/news/govt-borrowing-shoots-amid-sluggish-revenue-1688563>

Banks in a fix over effective date of slashed source tax

- The majority of the banks are in confusion over the effective date of reduced source tax on export proceeds as it remains unclear in the revenue board's order.
- On January 01, the National Board of Revenue (NBR) slashed the source tax for all

exporters including readymade garments and leather, except jute, to 0.25 % from 0.60 % by issuing a Statutory Regulatory Order (SRO).

- In the budget for Fiscal Year (FY) 2018-19, the source tax for export proceeds was fixed at 1.0 %. Later, on September 5, 2018, the NBR reduced the rate to 0.60 % with retrospective effect from July 1.
- A senior tax commissioner said the taxmen would not refund the deducted tax to the banks as there is a provision for deducting minimum tax, which is not refundable. Banks will have to adjust their collected taxes in the new rates

<http://today.thefinancialexpress.com.bd/first-page/banks-in-a-fix-over-effective-date-of-slashed-source-tax-1547661384>

Bangladesh Bank (BB) received 5,731 complaints against banks in 2018

- Bangladesh Bank (BB) received 5,731 complaints from bank clients last year. According to BB data, 3,058 complaints were received over telephone, 2,404 were written and 233 were sent online.
- While most of the complaints were related to loans and advances, clients also complained about card services, remittance, and other services.
- Out of the total complaints, 1,972 were general banking-related, 381 were service-related, 135 were related to bank guarantees, 502 were card-related and 431 were trade bill-related.
- Bangladesh Bank's Financial Integrity and Customer Services Department (FICSD) officials said that they received the complaints through their call centre, postal mails, emails, faxes, and their social media page.

<https://www.dhakatribune.com/business/banks/2019/01/17/bb-received-5-731-complaints-against-banks-in-2018>

Lending rates edging up

- The interest rate on lending is on the rise amid high import pressure and hunt for deposits at the end of last year.
- In November, the weighted average interest rate stood at 9.5 %, up from 9.47 % the previous month, according to data from the Bangladesh Bank.
- Though the average remained within single digits, 28 out of the 40 private banks are lending at double digits. The interest rate on lending will continue its upward trend due to expansion of business activities after the December 30 election.
- Despite the slow credit growth before the election the interest rate kept rising as banks mobilised deposits at higher rates to adjust their loan-deposit ratio ahead of the March deadline.

<https://www.thedailystar.net/business/news/lending-rates-edging-1688560>

Edible oil import grows 10%

- The import of edible oil has been showing an increasing trend in Bangladesh alongside other commodities, resulting in 10 % increase in import in 2018, reports BSS.
- During January-December period of 2018, import quantity of total oil and fat was over 2.9 million tonnes, which was an ever highest quantity imported in the country in a year and about 10 % higher compared to the corresponding period of 2017.
- In 2018, palm oil dominated the edible oil market of Bangladesh. In that year total import of palm oil and palm oil products was over 1.72 million tones, registering an increase by 17.40 % compared to the corresponding period of 2017.
- It is expected that by 2019, total annual import of oil and fat would cross the 3.0 million tonnes mark. Consumption of oil and fat in the country is in increasing trend in pace with economic growth of the country.

<http://today.thefinancialexpress.com.bd/trade-market/edible-oil-import-grows-10-pc-1547663844>

Second liquefied natural gas (LNG) terminal to start operations in March

- Bangladesh's second liquefied natural gas (LNG) terminal is expected to start operations in mid-March though domestic pipeline constraints mean it will be unable to fully supply gas demand to the country's capital Dhaka.
- Summit Corp, a subsidiary of Bangladesh's Summit Holdings, and partner Mitsubishi Corp are expected to start operations at their floating storage and regasification unit (FSRU) off the country's coast by the middle of March and ahead of schedule, a source familiar with the matter told Reuters on Tuesday.
- The FSRU will handle about 300 million cubic feet per day (mmcf/d) of gas which will be supplied to the Chattogram area.
- Once the pipeline is completed, state-owned energy company Petrobangla will be able to send up to 1,000 mmcf/d from both the Summit FSRU and a vessel operated by US company Excelerate that started up in August.

<https://www.thedailystar.net/business/news/second-ling-terminal-start-operations-march-1688545>

4G mobile service loses steam

- Despite a lot of hype surrounding the high-tech network for smartphones throughout the last year, the number of 4G subscribers reached only 11.7 million in the first 10 months of introducing it in the country.
- Only about 7.43 % of the mobile subscribers are currently using the 4G network while around 40.47 % using the 3G network.
- Top mobile operators such as Grameenphone, Robi and Banglalink said they have been able to extend the 4G network up to the upazila level. However, as the latest BTRC data suggest, the vast majority of mobile subscribers still remain beyond the spectrum of high-

speed Internet.

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<http://today.thefinancialexpress.com.bd/last-page/4g-mobile-service-loses-steam-1547661655>

No voice, data pack below 7-day validity after Jan 27

- There would be no voice and data packages and offers of the mobile phone operators having validity below seven days after January 27.
- Bangladesh Telecommunication Regulatory Commission on Wednesday reissued its directive that was first issued on December 6, 2018 with the instruction that the mobile phone operators must close such packages and offers by December 9.
- BTRC director said that the commission reissued the directive asking the mobile operators to close the services by January 27.

<http://www.newagebd.net/article/61973/no-voice-data-pack-below-7-day-validity-after-jan-27>

Bangladesh to connect with third submarine cable: telecom minister

- The government has decided in principle to connect Bangladesh with the third submarine cable with a view to addressing rapidly growing data consumption in the country.
- The country's total bandwidth usage was below 500 gigabits per second before the launch of 4G (fourth generation) mobile service and it had already reached around 1,000 Gbps. Considering the rapid growth in data consumption in the country, the existing capacity of the two submarine cables along with other service providers would be exhausted within 2020 or before that.
- Formation of another consortium for launching SEA-ME-WE-6, which would be the third submarine cable for Bangladesh, is already underway and the government has decided to join the consortium with a view to meeting rapidly growing data consumption.

<http://www.newagebd.net/article/61974/bangladesh-to-connect-with-third-submarine-cable-telecom-minister>

Annual Development Programme (ADP) spending rises in December

- Development spending picked up in December amid the fervour surrounding parliamentary polls on December 30 after being on the slow lane in the first four months of fiscal 2018-19. As per a planning ministry official, actually the finance and the planning ministries took some measures from the start of the current fiscal year to boost ADP implementation, which started to come into effect from November.
- The official said that the political leadership was busy with electioneering but the government machinery involved with development administration did their job properly for

increasing development spending. In December BDT 13,207 crore was spent from the annual development programme (ADP), which was BDT 12,623 crore in November.

- This is in contrast to the BDT 6,216 crore spent on average by the ministries and divisions in the previous four months of fiscal 2018-19. ADP implementation in the preceding four months was lower than that of each month last year. Development spending in December of last fiscal year was BDT 11,334 crore and in November it was BDT 9,182 crore, according to data from the Implementation, Monitoring and Evaluation Division.

<https://www.thedailystar.net/business/news/adp-spending-rises-dec-1688029>

Internet growth hits 3-year low

- The growth of new internet connections fell 21.58% year-on-year to 10.9 million in 2018, a three-year low.
- The sector lost 1.12 million active mobile connections in the last two months of 2018. The number of active mobile connections also fell by 0.03% to 156.9 million in December from the previous month.
- Only Grameenphone posted positive growth in the last month of 2018, while the market share of the three other operators shrunk.
- As of December, there were 91.30 million active internet connections, of which 85.50 million was mobile internet, 5.74 million broadband and the rest WiMax, according to data from the Bangladesh Telecommunication Regulatory Commission.
- Since its launch in February 2018, the country now has 11.70 million fourth generation (4G) mobile internet users.

<https://www.thedailystar.net/business/telecom/news/internet-growth-hits-3-year-low-1688026>
<https://www.dhakatribune.com/business/2019/01/16/1-16-crore-mobile-phone-users-subscribe-to-4g-last-year>

Real estate betting big on 2019

- Home sales are likely to pick up this year after a underwhelming 2018, spurred by hopes of political stability and positive economic growth outlook, according to realtors and lenders. The president of the Real Estate & Housing Association of Bangladesh (REHAB) said that as the election is over there is political stability. So, they expect the market to be better this year than the last one.
- This year, the market may expand by up to 9% in terms of sales of the number of units, he said, adding that the loan opportunity extended by the government for public sector employees would have a positive impact on the demand for homes. The managing director of Sheltech added that people feel encouraged to invest if there is stability. And it can be assumed there will be political and social stability and investment this year.
- He went on to predict that the real estate sector this year will be far better than the last couple of years. Growth slowed down in the last three months of 2018. Many prospective buyers kept their investment on hold in 2018, said sales in-charge of Structural Engineers.

<https://www.thedailystar.net/business/news/real-estate-betting-big-2019-1688041>

Japan reassures support to Bangladesh, wants to invest in IT sector

- Visiting Minister in charge of Economic Revitalisation of Japan on Tuesday said his country will continue to support Bangladesh in key development arenas, showing interest to invest in the IT sector of Bangladesh, reports UNB. The Japanese minister said Japan has been a great partner since the independence of Bangladesh and the relations between Japan and Bangladesh are complementary to each other.
- The representative of Japanese government expressed his conviction that the relations between Bangladesh and Japan will be stronger during the tenure of current Prime Minister. PM proposed Japan to provide support to the training programmes in IT parks and deep-sea fishing.

<http://today.thefinancialexpress.com.bd/last-page/japan-reassures-support-to-bd-wants-to-invest-in-it-sector-1547574657>

Government to allow LNG import in private sector

- The government would soon open the import of liquefied natural gas (LNG) to the private sector, enabling them to sell the fuel to clients of their choice.
- The price of LNG or regasified LNG would be determined by the private importers themselves.
- Bangladesh started importing LNG since April 24, 2018, with the arrival of US giant Excelerate Energy's "Excellence" with 136,000 cubic metres of lean LNG from Qatar at Moheshkhali Island terminal.
- Currently, some 300 million cubic feet per day (mmcf) of regasified LNG is being supplied to the national grid to feed consumers based in Chattogram city.
- Bangladesh will need to import around 30 million tonnes of LNG per year to meet the growing local demand by 2041 as domestic gas reserves are depleting fast.
- By 2041, the demand for natural gas would be around 8,000 mmcf, according to the state-run corporation.

<http://today.thefinancialexpress.com.bd/first-page/govt-to-allow-lng-import-in-pvt-sector-1547573578>

Bangladesh Bank sells over USD 1.0 billion to banks in six months

- The central bank has injected more than USD 1.20 billion so far this fiscal year into the market to help keep the country's foreign exchange (forex) regime stable.
- As part of the measure, the Bangladesh Bank (BB) sold the US currency directly to the commercial banks as liquidity support for meeting their import payment obligations.
- A total of USD 1.12 billion sold to the commercial banks during the first six months to December as part of its ongoing support, the BB data showed. Besides, it was selling USD 97 million to the banks from January 01 to January 10 last to meet the growing demand for

the greenback in the market, according to central bankers. The central bank sold USD 2.31 billion during the FY 18 on the same ground.

<http://today.thefinancialexpress.com.bd/first-page/bb-sells-over-10b-to-banks-in-six-months-1547488159>

<https://www.thedailystar.net/business/news/bb-sells-122b-6-months-prop-taka-1687729>

Bandwidth usage goes up 94%

- Bandwidth consumption in Bangladesh soared 94% year-on-year to 970 gigabits per second (Gbps) in 2018 thanks to the expansion of fixed broadband and rollout of 4G telecom services. The figure stood at only 300 Gbps at the end of 2016.

- Bandwidth is a measure of how much data a network can transfer. Internet providers denote bandwidth speeds in millions of bits per second, or megabits (Mbps), and billions of bits per second, or gigabits (Gbps). The higher the bandwidth, the faster the speed.

- But about 75% of the bandwidth is used for browsing Facebook and YouTube -- in most cases for unproductive activities, the chief technology officer of Fiber@Home Global said.

- Rising bandwidth consumption indicates digital development. But the policymakers should concentrate more on how digitisation can be used effectively to develop and make life easier for the citizens, he added.

<https://www.thedailystar.net/business/news/bandwidth-usage-goes-94pc-1687738>

SIM tax for Mobile Number Portability (MNP) service goes

- The government has waived the tax, amounting to BDT 100, on SIM replacement for the newly-introduced Mobile Number Portability (MNP) service. A gazette notification to this effect was issued on Monday, following a statutory regulatory order from the National Board of Revenue (NBR).

- As a result, the cost of switching cell-phone operator is set to reduce significantly. Since the launch of MNP service in last October, customers had to pay a total of BDT 157.50 for the service -- BDT 100 as SIM tax, BDT 50 as service charge and 15% VAT.

- This cost is now likely to come down to BDT 58 following the tax waiver.

<http://today.thefinancialexpress.com.bd/last-page/sim-tax-for-mnp-service-goes-1547488488>

<https://www.thedailystar.net/business/news/mnp-tax-free-1687747>

<http://www.newagebd.net/article/61812/nbr-waives-sim-replacement-tax-for-mnp-service>

Bangladesh to be 24th economy in gross domestic product (GDP) globally by 2032

- Finance Minister hoped that Bangladesh's economy would be at 24th position in global ranking by 2032 in terms of the gross domestic product (GDP).

- He also said when the economy grows, scope of employment generation widens, and thus poverty reduces.

<http://today.thefinancialexpress.com.bd/first-page/bd-to-be-24th-economy-in-gdp-globally-by-2032-1547400891>

Budget shows surplus in four months despite lower revenue

- The current budget recorded a BDT 24.07 billion surplus during the four months to October last, though tax receipts are less-than-expected, the ministry of finance said.

- Revenue income of the National Board of Revenue (NBR) amounted to BDT 200 billion up to November last, falling short of the target by around 22 per cent, according to the tax authorities. The government sustained a budget deficit of nearly BDT 800 million during the corresponding period of the last fiscal year.

- Meanwhile, many believe that the bigger-than-expected surplus until October has little to affect the longer-term trend in budget financing.

- The deficit for the fiscal year 2017-18, which ended in June last, was BDT 873.71 billion.

- Officials familiar with the development told that the execution rate of the annual development programme (ADP) was low during the July-October period of the current FY. The budget allocation for the current FY's ADP is BDT 1.73 trillion and the authorities spent only BDT 162.21 billion during the period, or less than 10% of the total allocation.

<http://today.thefinancialexpress.com.bd/last-page/budget-shows-surplus-in-four-months-despite-lower-revenue-1547401030>

Bangladesh mulls exporting power to Nepal during winter

- The government will soon initiate a process to export surplus electricity to Nepal in the winter when Bangladesh sees a drop in domestic consumption.

- According to sources at the power ministry, the electricity export to Nepal will take place under the cross-border power trade arrangement where a tripartite agreement among three neighbouring nations - Bangladesh, India and Nepal - will be required.

- The cross-border power trade between Dhaka and New Delhi started few years back whereby Bangladesh is importing over 1,000 MW of electricity from India.

- Dhaka is also trying to import electricity from its other neighbours, including Bhutan and Myanmar, to meet the demand during the summer season.

<http://today.thefinancialexpress.com.bd/last-page/bd-mulls-exporting-power-to-nepal-during-winter-1547401110>

Asian Development Bank (ADB) to provide USD 200 million

- The Asian Development Bank (ADB) will provide USD 200 million in loans to help improve the rural road network in Bangladesh.

- An agreement was signed between the government and the Manila-based lender in this connection on Sunday, according to a statement.

- According to ADB, the assistance supports the government's priority of delivering urban

services in rural areas by increasing connectivity, providing greater access to social services and markets, and promoting the agriculture sector, benefiting over 51.5 million people. It will also improve transport efficiency, generate 3.13 million person-days employment, introduce high-level technology to enhance road master planning, and create road safety awareness among rural population.

<http://today.thefinancialexpress.com.bd/trade-market/adb-to-provide-200m-1547396751>
<https://www.thedailystar.net/business/news/200m-adb-loans-improve-rural-roads-1687318>
<http://www.newagebd.net/article/61715/adb-provides-200m-loan-to-upgrade-rural-road-network>

All mobile handsets to be registered

- The telecom regulator is set to introduce a registration process for all mobile handsets in the country with a view to mitigating the challenges of illegal import, theft, cloning, organised crimes and health hazard.
- The mobile operators themselves will register the handsets that are in use in its network, through which it has access to information such as the unique IMEI numbers of handsets, SIM numbers and national ID cards.
- While the customers will not be inconvenienced for the regulation at present, they will face a problem when switching devices at a later date: they must provide proof of purchase of the handset to the operator for it to work.
- Up to three handsets can be brought from abroad tax-free. The handsets must be registered at the customer service centre of the mobile operator by showing the proof of purchase.
- On the other hand, no other SIM will work in the stolen handsets if its original user raises a claim with proper documents. And after some time, all SIMs will become inactive on the handsets that are not legally imported, according to the regulation.

<https://www.thedailystar.net/business/news/all-mobile-handsets-be-registered-1687327>

Manpower export may fall further in coming years

- The country's manpower export may experience further fall in the coming years due to poor demand for less-skilled workers in major markets, experts and sector insiders have predicted, calling for urgent measures to develop skilled manpower.
- They suggested formulating a long-term policy with restructuring the education and training systems that would facilitate improving the workers' skills to a standard suitable for the job destinations. They also recommended taking measures to diversify job markets.
- The wage earners sent home USD 15.53 billion in 2018. They contribute around 13% to the country's gross domestic product (GDP), according to an estimate.
- The demand for less-skilled workers is gradually falling in the global market while Middle East (ME) countries, the key market for Bangladeshi workers, reduced hiring foreign workers in the recent times, they said.
- Overseas employments from Bangladesh fell more than 27% in last year compared to that

of the previous year.

- Sector insiders said the fall was due to dependence on a single market, mainly Saudi Arabia. The outflow of workers from Bangladesh to Saudi Arabia dropped by more than 53% to 257,317 in 2018 as compared to 551,308 in 2017, the BMET data showed. The oil-rich country banned 12 categories of jobs for foreign workers in early 2018, substantially shrinking the job opportunities there. Manpower recruitment by other ME countries also dropped substantially because of slow development works.

<http://today.thefinancialexpress.com.bd/public/trade-market/manpower-export-may-fall-further-in-coming-years-1547133824>
<https://www.thedailystar.net/business/news/migrant-workers-jobs-stake-1686691>

59.59% rise in fuel oil import takes expenses to USD 22 billion

- Bangladesh's import expenses crossed USD 22 billion in the first five months of the current fiscal year (FY), 2018-19, following a 59.59% increase in fuel oil import, officials said.
- The actual import in terms of settlement of letters of credit (LCs) grew by 9.12% to USD 22.47 billion during the July-November period of FY '19 from USD 20.59 billion in the same period of the previous fiscal, according to the central bank's latest statistics.
- But opening of LCs, generally known as import orders, dropped by nearly 31% to USD 24.68 billion during the period under review from USD 35.75 billion in the same period of FY '18.
- According to a senior official of the Bangladesh Bank (BB), the import orders fell significantly in the five months of this fiscal mainly due to the national polls. He said most of the businessmen had maintained a 'go-slow' policy for setting up fresh LCs ahead of the polls to avoid possible risks.

<http://today.thefinancialexpress.com.bd/public/first-page/5959pc-rise-in-fuel-oil-import-takes-expenses-to-22b-1547140936>

Export of plastic goods marks 21% rise in first half of the current fiscal year (FY)

- The country's export of plastic goods marked a 21% rise in the first half of the current fiscal year (FY) over the corresponding period of last fiscal.
- The plastic sector fetched USD 56.54 million during the July-November period of FY 2018-19 compared to the first half of 2017-18 FY 46.63 million USD .
- The target export from the sector was 100 million USD for the 2018-19 fiscal year. In 2017-18 FY, the country exported 98.48 million USD , according to available data of Export Promotion Bureau (EPB).
- The sector insiders attributed such a significant export growth to higher demand for Bangladeshi plastic products in the global market.

<http://today.thefinancialexpress.com.bd/public/trade-market/export-of-plastic-goods-marks-21pc-rise-in-h1-of-current-fy-1547221260>

Savings tools buying to come under government scanners

- The government is set to create a database of buyers of government-sponsored savings instruments.
- The objective behind the creation of database is to see whether the savings opportunity is abused by exceeding the investment limit or making 'benami' (fictitious) investments.
- From February next, the savers will require national identity cards, bank accounts, mobile numbers and tax-identification numbers while purchasing the national savings certificates and bonds.
- And those who have already invested in the savings certificates and bonds will need to submit the same to draw profits or encash matured ones.
- People familiar with the issue at the Directorate of National Savings and the Ministry of Finance said this will help the government scan who are actually investing in the instruments and detect as to whether they are violating the thresholds or not.
- The national tax authority will have access to the database of savers which will help them identify tax evaders.

<http://today.thefinancialexpress.com.bd/public/first-page/savings-tools-buying-to-come-under-govt-scanners-1547226985>

No more rise in non-performing loans (NPLs) 'from now on'

- The Finance Minister said non-performing loan (NPL) will not grow by even a single penny from today, rather it will reduce.
- He, however, said he would not go for action against the "big shots" and "powerful persons" who are the main drivers of economy.
- About his stance on the NPL holders, he said, the powerful persons account for 82% of the economy and it is not possible to combat NPLs without taking action against these persons.

<http://today.thefinancialexpress.com.bd/public/first-page/no-more-rise-in-npls-from-now-on-1547141201>

<http://www.newagebd.net/article/61463/no-new-defaulted-loans-from-today-mustafa-kamal>
<https://www.dhakatribune.com/business/banks/2019/01/10/mustafa-kamal-no-more-npls-from-today>

Private commercial banks (PCBs) to map out strategy for cutting soured loans

- Private commercial banks (PCBs) will devise strategies for curbing the volume of non-performing loans (NPLs) in the banking system.
- Chairman of the Association of Bankers has been assigned to make a 'working paper' in this connection in the next 10 days.
- The initiative to devise a work plan to help bring down the troubled loans in the banking

system came against the backdrop of the recent meeting of the BAB with Finance Minister.

- The BAB assured the minister of not allowing the soured loans to go up further. Besides, the BAB would work on how to reduce the NPL rate in the banking system, the BAB Chairman told reporters after the meeting on Thursday. Meanwhile, the volume of NPLs climbed by nearly 34% or BDT 250.67 billion to BDT 993.70 billion as of September 30 from BDT 743.03 billion on December 31, 2017, according to banking sources.

<http://today.thefinancialexpress.com.bd/first-page/pcbs-to-map-out-strategy-for-cutting-soured-loans-1547311000>

<http://www.newagebd.net/article/61622/bab-abb-hold-jt-meeting-on-reducing-defaulted-loan>

Pharmas should adopt innovation through alliance with academia

- The pharmaceutical industry in Bangladesh has done remarkably well, growing at more than 15% a year, with sales of approximately USD 2.4 billion in 2017. The growth rate in India, Pakistan and China are 15 percent, 11% and 9.5% respectively. The country's need of drugs is almost entirely met by those produced domestically. To some extent, this contributed to the fact that per capita spending on healthcare services in Bangladesh is the lowest among the South East Asian countries.
- In a recent World Bank publication, it was reported that per capita spending on healthcare services is USD 88 for Bangladesh, USD 129 for Pakistan, USD 137 for Nepal, USD 167 for Afghanistan, USD 267 for India, USD 281 for Bhutan, and USD 369 for Sri Lanka. Obviously, the share of pharmaceuticals in the overall healthcare spending in Bangladesh is very small because locally produced drugs are much cheaper than the imported ones and the pharmaceuticals industry in Bangladesh deserves some credit. Some may argue that the lower healthcare spending may also indicate relatively lower access to healthcare services in Bangladesh compared to other Asian countries, but it is widely reported that Bangladesh performs much better in health outcomes, such as, longevity, maternal mortality rate, infant mortality rate, vaccination rates, compared to those countries with the exception of Sri Lanka.

- Companies that tend to go for premium, which is an added amount to the face value of the share, tend to be solid ones.

- Big entrepreneurs don't get the money when they need, so most of them lose their enthusiasm to get listed.

- For instance, United Power Generation had to wait two years to raise capital after its road show, arranged to gauge a company's demand among stock market investors. Bashundhara Paper Mills and Aman Cotton needed more than two years to get money from the market after they had held their road shows; Acme Laboratories waited almost two years, while Aamra Networks hung around for one and a half years.

- As of now, Runner Automobiles, STS Holdings, Dhaka Regency Hotel, Delta Hospital, Index Agro, Popular Pharmaceuticals and Esquire Knit have been waiting for more than two years to go for listing, according to data from the Bangladesh Securities and Exchange Commission.

<https://www.thedailystar.net/business/news/ipo-lose-lustre-high-cost-lengthy-process-1686697>

Number of mobile internet users falls in November-December

- The number of mobile internet users declined for the second consecutive month in December, 2018.
- At the end of December, the number of mobile phone-based internet connections declined by 0.47 million to 85.6 million from 86.0 million in November. The figure was 86.7 million at the end of October.
- Mobile phone-based internet connections constitute nearly 94% of the country's internet user base.
- Officials of mobile phone operators said the government's tight scrutiny of the social media along with blocking of a number of web sites before the December 30 national elections might be one of the key reasons for the fall in the number of active mobile internet users in last two months.

<http://www.newagebd.net/article/61530/number-of-mobile-internet-users-falls-in-nov-dec>

Only 7.43% mobile subscribers use 4G service

- Only 7.43% of the country's mobile phone subscribers are using the fourth generation (4G) mobile phone service even after ten months of the launch of the high-speed service.
- Three mobile phone operators — Grameenphone, Robi and Banglalink — launched the service in February 19 last year after receiving licences from Bangladesh Telecommunication Regulatory Commission on the same day. State-run Teletalk, however, launched the service in December, 2018 despite receiving the licence along with the three private sector mobile operators in February last year.
- As per the BTRC's latest statistics, the number of 4G subscribers reached 11.7 million at the end of December, 2018, while the number of active mobile phone users in the country stood at 157.0 million.
- Mobile phone operators blamed high prices of 4G-enabled devices as the reason for the slow growth in the 4G penetration.
- But mobile handset importers said that lack of 4G-enabled products depending on the capacity of the mobile phone subscribers was another reason for the slow growth in 4G penetration.

<http://www.newagebd.net/article/61623/only-743pc-mobile-subscribers-use-4g-service>

Exports prove a boon for paper mills

- Increasing export of paper and tissue has created a window for local mills to utilise their huge unused capacity and bring home foreign currency.
- Bangladesh's 110 paper mills, with a capacity of producing more than 1.5 million tonnes of paper and paper products annually, can use less than half of their capacity as domestic demand hovers around 0.9-1.0 million tonnes.
- Under the circumstances, the opportunity for export, which opened nearly a decade ago

and gradually expanded, has become a boon for the capital-intensive paper industry.

- According to deputy managing director of Bashundhara Group, the paper industry has overcapacity as a whole and it will be able to utilise more capacity if it can increase export. As a result of overcapacity, a portion of the mills are on the brink of closure, he said.
- Export of paper and paper products soared 63% to USD 16.24 million in 2018 from that a year ago, according to data compiled by the Bangladesh Paper Mills Association (BPMA).
- Export Promotion Bureau (EPB) data showed that the total shipment of paper and tissue rose 54% year-on-year to USD 8.37 million in the July-December period of the current 2018-19 from that a year ago.

<https://www.thedailystar.net/business/news/exports-prove-boon-paper-mills-1686010>

Important News: Capital Market

Move to bring quality IPOs

- The stakeholders have moved jointly to bring 'quality' IPOs (initial public offering) for enhancing the depth of the country's capital market.
- A 12-member body will be formed comprising the representatives of DBA and BMBA for preparing work plan on quality IPOs.
- A company willing to go public get due-diligence certificate from the issue manager. A third party should provide due-diligence certificate to avoid conflict of interest.
- The General Secretary of the BMBA, said the representatives of BDA and BMBA will also sit with the central bank to settle some pending issues including the revising of bank's exposure to the capital market.

<http://today.thefinancialexpress.com.bd/stock-corporate/move-to-bring-quality-ipos-1547660652>

Rupali Bank's loss-making branches now only eight

- Rupali Bank Limited (RBL), a state-owned commercial bank (SoCB) has reduced the number of loss-making branches drastically in 2018.
- They have reduced the number to only eight which was 33 in 2017 calendar year and 143 in 2016 and it was possible only for their concerted efforts to improve the overall governance in the state-owned bank
- According to provisional calculation, RBL earned a total of BDT 3.70 billion as operating profit in 2018 against BDT 5.41 billion in 2017.
- With the launching of this mobile financial service, Rupali Bank has been able to save BDT 4.0 billion annually as there remains some room for forgery and cheating in the age-old manual system.

<http://today.thefinancialexpress.com.bd/stock-corporate/rupali-banks-loss-making-branches>

[-now-only-eight-1547660822](#)

Core index hits fresh nine-month high

- The core index of the prime bourse on Tuesday hit fresh nine months high, as investors showed their buying appetite on financial issues.
- The market turnover was above BDT 11 billion-mark for the second day in a row.
- DSEX, the prime index of the Dhaka Stock Exchange (DSE), went up by 27.04 points or 0.46% to settle at 5,863. It was the highest level of DSEX since April 09, last year.
- The financial institutions posted the highest gain of 1.70 per cent, followed by power with 0.60 per cent, engineering 0.59 per cent, pharmaceuticals 0.45% and banking 0.39%
- The market-cap of the DSE increased to BDT 4,141 billion which was BDT 4,132 billion in the previous day.

<http://today.thefinancialexpress.com.bd/stock-corporate/core-index-hits-fresh-nine-month-high-1547570038>

GP losing out to Robi

- Telecom giant Grameenphone is losing the highest number of customers through the roll-out of mobile number portability (MNP) service.
- As many as 49,658 former GP subscribers have switched to other operators in last three months. Meanwhile, a total of 10,491 subscribers have moved to GP during the same period.
- 72,005 GP subscribers have moved to Robi from other operators while 20,406 subscribers have switched from Robi.
- GP now serves around 72.3 million customers with 37 MHz spectrum, Robi around 47 million with 36.4 MHz and Banglalink around 33.5 million with 30.6 MHz.

<http://today.thefinancialexpress.com.bd/trade-market/gp-losing-out-to-robi-1547576005>
<https://www.thedailystar.net/business/telecom/news/robi-gains-most-mnp-1688038>
<http://www.newagebd.net/article/61885/number-of-mnp-subscriptions-drops-for-2nd-month-in-dec>

Singer launches Blueair Air Purifiers

- Blueair is one of the world's leading producers of air purification solutions for home and professional use.
- Blueair's latest range is based on the Blueair HEPASilent™ technology which removes 99.7% of all airborne particles such as smoke, dust, pollen, bacteria, mould and pet allergens.
- Households, particularly with new-borns whose lungs are still under development and homes with elderly and members suffering from asthma, allergies and respiratory illnesses would benefit from this technology.

<http://today.thefinancialexpress.com.bd/stock-corporate/singer-launches-blueair-air-purifiers-1547570320>
<https://www.thedailystar.net/business/global-business/news/singer-brings-blueair-1688020>

The Islamic Finance and Investment Limited (IFIL) launches new products to give better service

- The Islamic Finance and Investment Limited (IFIL) has formally launched three new products in order to provide better financial service to its customers. The new products are Mudaraba Asan Deposit Scheme, Raha (Comfort) and Sila UI Istihlaq (Commodity).
- The clients can deposit any amount at any time under the new deposit scheme and the profit will be counted on a daily basis, said Saleh.
- Raha (Comfort), an investment facility, will support the opening and retirement of Letter of Credit (LC) to purchase raw materials, capital machinery, commercial vehicles, heavy equipment, etc.
- Under the Silaa UI Istihlak-Bai Murabaha (Commodity) scheme, the clients can purchase and make acquisition of commodity items for trade.

<http://today.thefinancialexpress.com.bd/trade-market/ifil-launches-new-products-to-give-better-service-1547576124>
<http://www.newagebd.net/article/61887/ifil-launches-3-investment-and-deposit-products>

Bangladesh Securities & Exchange Commission (BSEC) approves proposal of determining cut-off price of Popular Pharma

- The securities regulator has approved the proposal of determining cut-off price of Popular Pharmaceuticals as part of its plan of offloading shares through book building method.
- As per the public issue rules, the cut-off price of the Popular Pharmaceuticals will be determined through electronic bidding.
- The company will go public under book building method to raise a capital worth BDT 700 million.
- The drug manufacturer will raise a fund worth BDT 700 million to purchase machinery, repay bank loans and meet IPO expenses.
- As per financial statement for the year ended on June 30, 2018, the net asset value (NAV) per share was BDT 42.98 (with revaluation reserve). And the NAV stood at BDT 31.28 (without revaluation reserve) for same period. The weighted average of earnings per share (EPS) based on net profits of last five years stood at BDT 2.18.

<http://today.thefinancialexpress.com.bd/stock-corporate/bsec-approves-proposal-of-determining-cut-off-price-of-popular-pharma-1547570068>
<http://www.newagebd.net/article/61886/bsec-allows-popular-pharma-to-discover-cut-off-price-for-ipo>

S. S. Steel makes trading debut tomorrow

- S. S. Steel Ltd will make its share trading debut on the stock exchanges tomorrow (Thursday) under the "N" category. The Dhaka Stock Exchange (DSE) trading code for the company is "SSSTEEL" and the company code is 13245 while the Chittagong Stock Exchange (CSE) scrip ID is 16038 and scrip code is "SSSTEEL".

- The S. S. Steel will be the 37th listed company under the "Engineering" sector on the Dhaka bourse. The sector accounted for around 6.0% of the DSE's total market capitalisation. The engineering sector company raised a capital worth BDT 250 million from the capital market by offloading 25 million ordinary shares using the fixed price method.

- The securities regulator -- Bangladesh Securities and Exchange Commission (BSEC) approved the company's IPO proposal on July 17 last year to raise the said amount. IPO subscription of the company's shares was held between October 28 and November 07, 2018.

<http://today.thefinancialexpress.com.bd/stock-corporate/s-s-steel-makes-trading-debut-tomorrow-1547570095>

GP: Seven tech trends set to impact digitization in 2019

- Mobile operator Grameenphone yesterday revealed in a report listing the seven most anticipated tech trends for 2019 at panel discussion held at their headquarters, GPHouse in Dhaka, according to a press release.

- Scientists and technology analysts of Telenor Research, Telenor Group's research arm, each year reveals this report highlighting top seven trends which they believe will define the year to come.

- The breakthrough topics this year contain the likes of Artificial Intelligence, mass expansion of 5G, emergence of mass industrial IoT, voice activated chat-bots for homes, and tech awareness factors such as screen time control and mobile-driven green technology.

<https://www.dhakatribune.com/business/2019/01/14/gp-seven-tech-trends-set-to-impact-digitization-in-2019>

Walton IPO road show today

- Walton Hi-Tech Industries Limited (WHIL) will hold IPO (initial public offering) road show for eligible institutional investors today (Tuesday) as part of going public under book building method.

- At the road show, the company will present detailed information about the company as per public issue rules.

- The road show will be held at 6:30 pm at Walton Corporate Office at Bashudhara Residential Area's Plot No. 1088, Block-I, Sabrina Sobhan 5th Avenue under Vatara in the capital.

<http://today.thefinancialexpress.com.bd/stock-corporate/walton-ipo-road-show-today-1547482913>

Nahee Aluminum adds capacity

- Newly listed Nahee Aluminum is set to increase its annual production of aluminium false ceilings from January 15 by 8.3 million square feet. The new capacity is expected to increase its revenue by 30 to 40%.

- The company, which has a market value of about BDT 500 million, has installed new machinery purchased with the proceeds from its initial public offering in 2017 when it raised BDT 150 million from stock investors.

<https://www.thedailystar.net/business/news/nahee-aluminum-adds-capacity-1687735>

Le Méridien issues BDT 12.00 billion bond to pay off loans

- Best Holdings, the parent company of Le Méridien Dhaka, issued a bond to raise BDT 12.00 billion with a view to paying off its bank loans, which it has been struggling to service despite raking in profits.

- The company had taken loans amounting to BDT 11.60 billion for the upscale hotel's construction. As of August 31, 2018, Best Holdings owes BDT 8.38 billion to a total of 13 banks and non-bank financial institutions.

- Curiously, four of the banks -- United Commercial, Southeast, Trust and NCC -- and one of the non-bank financial institutions (IDLC Finance) that are investing in the bond, which will yield interest of 10% over an eight-year period, are owed money by Best Holdings.

- Best Holdings owes BDT 788.2 million to UCBL, BDT 1.45 billion to Southeast, BDT 154.40 million to Trust, BDT 857.00 million to NCC and BDT 407.30 million to IDLC Finance.

<https://www.thedailystar.net/business/news/le-meridien-issues-BDT-1200cr-bond-pay-loans-1687750>

Dhaka Stock Exchange (DSE) seeks BDT 13.7 million from UK's business fund for poor

- Dhaka Stock Exchange, the country's premier bourse, has sought grants from Business Finance for the Poor in Bangladesh, a programme funded by British government, to launch a small capital board at the bourse.

- The bourse and market regulator Bangladesh Securities and Exchange Commission made the approach of creating a separate board for small-capitalised companies at the stock market as a move for market diversification and vibrancy.

- To run the separate board, DSE has recently initiated a project proposal named 'Ease of access to equity financing for small and medium enterprise' to promote SMEs for growth and development and subsequently listing with the small capital platform, a senior DSE official said.

- The bourse has estimated the total cost for the project at BDT 27.4 million and participated in a competition conducted by BFP-B to get fund. In the programme, it appealed for 50% of the cost, which is BDT 13.7 million.

- Under the project, DSE has targeted to list 20 SMEs in the first year and 30 SMEs in the second year. The listing would enhance the market capitalisation to BDT 3.0 billion in 2019 and BDT 5.0 billion in 2020.

- Any company with paid-up capital between BDT 50.0 million and BDT 300.0 million can apply for getting listed with the board.

<http://www.newagebd.net/article/61717/dse-seeks-BDT-137cr-from-uks-business-fund-for-poor>

Bangladesh Securities and Exchange Commission (BSEC) laying auto-flagging to block directors' anonymous share sales

- The Bangladesh Securities and Exchange Commission (BSEC) is laying auto-flagging system at Central Depository Bangladesh Limited (CDBL) to block sales of shares by sponsors/directors of the listed companies without any disclosure.

- The sponsors/directors were often found selling shares without any declaration to public, and without prior regulatory approval as they fell short of mandatory minimum shareholding of 2%individually and 30%jointly.

- The regulator has recently formed a committee headed by its executive director to work with the issue. Chief technology officers of CDBL and stock exchanges are also on the committee.

- BSEC made the decision after Dhaka Stock Exchange urged the commission to bar secret share sales by sponsors/directors of the listed companies.

<http://www.newagebd.net/article/61621/bsec-laying-auto-flagging-to-block-directors-anonymous-share-sales>

Mutual Funds (MFs) post 16% portfolio loss in 2018

- Listed mutual funds performed poorly in the just concluded year (2018) as the sector registered a portfolio loss of 16.4%in the year, whereas the market dropped by 13.75 per cent.

- The total net asset value of closed-end mutual funds was BDT 57.19 billion in December, 2018, which was BDT 68.40 billion in December, 2017, according to a market research.

- Among the fund managers, Vanguard posted highest drop in portfolio returns in the year losing 17.7 per cent, followed by VIPB 17.7 per cent, ICB AMC 17.7 per cent, LR Global 12.8 per cent, RACE 11.5 per cent, ATC 11.0%and AIMS 8.1%in the year of 2018, it showed.

- The market was largely bearish in 2018, plummeting by 13.75 per cent. The bear run eroded share prices of most of the companies. As mutual funds invest mostly in the capital market, the asset managers barely could make profits from the market in last year, market operators said.

<https://www.thedailystar.net/business/news/sonalis-operating-profits-rocket-1683622>

IDLC Finance to arrange BDT 2,775 million for Kishoregonj Economic Zone

Ltd. (KEZ)

- An agreement was signed between Kishoregonj Economic Zone Ltd. (KEZ) and IDLC Finance Limited (Participatory Financial Institution-PFI) for financing in Kishoregonj Economic Zone Ltd. under Investment Promotion Financing Facility-II (IPFF-II) of World Bank.

- IDLC Finance will act as Lead arranger and Agent of this financing project. Under this agreement, IDLC Finance will arrange BDT 2775 million for 20 year terms which will be used for infrastructure construction of the zone.

- This financing will contribute grossly for the socio-economic development of the area of Kishoregonj and Bangladesh as well as part of the government agenda to establish 100 economic zones to create 10 million job.

<http://today.thefinancialexpress.com.bd/public/trade-market/idlc-finance-to-arrange-BDT-2775m-for-kez-1547221407>

United Power Generation witnesses steady growth

- United Power Generation & Distribution Company (UPGDC) posted a steady growth in dividend disbursement in last few years. During the period, the company's earnings per share (EPS) also rose moderately.

- The UPGDC, formerly known as Malancha Holdings began operation for ensuring uninterrupted, quality power supply to the industries housed within the country's Export Processing Zones (EPZs).

- Presently the company is involved in power generation, distribution, steam generation and supply up to their customer's doorsteps.

- The UPGDC reported its EPS of BDT 5.89 and BDT 8.3 for the calendar years 2013 and 2014. The EPS was BDT 15.57 (18 months) till June 30, 2016. Later, the company reported its EPS of BDT 10.46 and BDT 11.51 for the fiscal year (FY) 2016-17 and FY 2017-18 respectively.

- The company disbursed 35%cash dividend in 2013 and 30%cash and 10%stock dividend in 2014. It disbursed 125%cash dividend for 18 months for the period ended on June 30, 2016. The amount of dividend was 90%cash and 10%stock for the FY 2016-17. Finally, the UPGDC disbursed 90%cash and 20%stock dividend for the year 2017-18.

Net profit increased 10.09%in 2017-18 compared to previous FY. The company reported net profit of BDT 4.17 billion for the FY 2016-17 and BDT 4.59 billion for the FY 2017-18.

During the last operation year, the company generated a total of 941.03 million kWh of electricity at an average capacity utilisation of 75 per cent, according to chairman of the UPGDC.

<http://today.thefinancialexpress.com.bd/stock-corporate/united-power-generation-witnesses-steady-growth-1547308939>

Islamic banks' excess liquidity shrivels

- Shariah-based banks saw a sharp fall in excess liquidity in the third quarter of last year because of aggressive investment to the point of violating the ceiling set by the central bank.
- Between the months of July and September the excess liquidity of the Islamic banking industry shrank 19.54% to BDT 52.02 billion from the previous three months, according to data from the Bangladesh Bank.
- The loan-deposit ratio surged to 97% during the quarter, which is way above the authorised limit of 90 percent.
- Of the eight full-fledged Islamic banks five had lent breaching the ceiling. The eight banks are Islami Bank Bangladesh, Exim, First Security, Al-Arafah, ICB Islamic, Social Islami, Shahjalal Islami and Union bank.
- Except for Islami Bank Bangladesh, Al-Arafah and ICB Islamic, all lent above and beyond their loan-deposit ratio ceiling.

<https://www.thedailystar.net/business/news/islamic-banks-excess-liquidity-shrivels-1686013>

Runner Automobile initial public offering (IPO) opens January 31

- The initial public offering (IPO) of Runner Automobiles will open for subscription on January 31, seeking to raise BDT 1.0 billion from the capital market under the book-building method. The last date for subscription is February 10.
- Runner Automobiles, the flagship company of Runner Group, will allot a total of more than 13.93 million ordinary shares.
- The cut-off price of the shares of Runner Automobiles has been fixed at BDT 75 each as discovered by eligible investors (EIs) through bidding under the book-building method.
- Of 13.93 million shares, more than 8.33 million shares (60 per cent) will be issued to the eligible institutional investors at the cut-off price of BDT 75 each.
- The remaining 5.60 million shares (40 per cent) will be issued to general investors through IPO at BDT 67 each, after a 10% discount on the cut-off price.
- According to financial statements of the motorcycle maker for the year ending on June 30, 2017, the company's net asset value (NAV with revaluation) per share stood at BDT 55.70. The NAV without revaluation was BDT 41.94. The weighted average of the EPS (earnings per share) is BDT 3.31.

<http://today.thefinancialexpress.com.bd/public/stock-corporate/runner-automobile-ipo-opens-jan-31-1547224140>

17 companies end up in 'Z' category in two years

- A total of 17 listed companies were downgraded to 'Z' category, meant for worst-performing enterprises, in the last two years.
- They were downgraded from the best- and medium-performing categories for not recommending dividends or not being in operation for more than six months or for non-

compliance regarding the annual general meeting (AGM).

- Of them, eight companies were sent to the 'Z' category in 2017 and nine others in 2018.
- The companies which were sent to 'Z' category in 2018 are Emerald Oil Industries, Tung Hai Knitting & Dyeing, Fareast Finance & Investment, AB Bank, Eastern Cables, Padma Islami Life Insurance, Evince Textiles, Northern Jute Manufacturing Company and GBB Power.

<http://today.thefinancialexpress.com.bd/public/stock-corporate/17-companies-end-up-in-z-category-in-two-years-1547136496>

IPOs lose lustre for high cost, lengthy process

- Companies are losing interest in coming to the stock market because of the lengthy process stretching up to two years and the high costs to get listed.
- In the last eight years, 23 companies held road shows to go public with premium but 10 got the approval and even then all but one had to wait for up to two years.
- Companies that tend to go for premium, which is an added amount to the face value of the share, tend to be solid ones.
- Big entrepreneurs don't get the money when they need, so most of them lose their enthusiasm to get listed.
- For instance, United Power Generation had to wait two years to raise capital after its road show, arranged to gauge a company's demand among stock market investors. Bashundhara Paper Mills and Aman Cotton needed more than two years to get money from the market after they had held their road shows; Acme Laboratories waited almost two years, while Aamra Networks hung around for one and a half years.
- As of now, Runner Automobiles, STS Holdings, Dhaka Regency Hotel, Delta Hospital, Index Agro, Popular Pharmaceuticals and Esquire Knit have been waiting for more than two years to go for listing, according to data from the Bangladesh Securities and Exchange Commission.

<https://www.thedailystar.net/business/news/ipos-lose-lustre-high-cost-lengthy-process-1686697>