

## Weekly Market Update

### Capital Market Overview

The market closed negative this week. The benchmark index DSEX (-0.45%) lost 23.56 points and closed the week at 5,258.48 points. The blue-chip index DS30 (-0.57%) lost 10.70 points and stood at 1,865.36 points. The shariah based index DSES (-0.63%) closed in red and stood at 1,216.05 points. DSEX, DS30 and DSES all posted negative YTD return of -15.79%, -18.30%, and -12.56% respectively.

**Total Turnover During The Week (DSE)** : BDT 24.1 billion (USD 290.1 million)  
**Average Daily Turnover Value (ADTV)**: BDT 4.8 billion (Δ% Week: +17.8%)

**Market P/E**: 16.70x  
**Market P/B**: 2.15x

### Daily Index Movement during the Week:

The market performed five sessions during the week. Market opened this week with a negative movement of -1.32% in the first session. In the second session, market rebounded by +0.66% and continued to positive in the third session by 1.00%. Then the market closed negative by -0.28% in the fourth session and in the last session, market remained negative by -0.49%.

### Sectoral Performance:

- All the financial sectors showed positive performance this week except Banks (-1.35%). Life Insurance posted the highest gain by 1.10% followed by General Insurance (+0.63%), NBFIs (+0.60%) and Mutual Funds (+0.07%).
- Non-financial sectors showed negative performance this week except Pharmaceuticals (+1.28%). Power experienced the highest loss by -2.40% followed by Food & Allied (-0.79%), Engineering (-0.67%) and Telecommunication (-0.54%).

### Macroeconomic arena:

- The central bank has relaxed regulations on forward sale and purchase of foreign exchange (forex) to bring dynamism in hedging transactions. Customers will be allowed to receive their exchange gains after closing forward deals. This will help foreign contractors to get an additional tool for hedging long-term forex risk exposures.
- World Bank published annual ranking of 190 countries based on the ease of doing business in that country. Bangladesh was ranked 176th moving from last year's 177th position. Afghanistan made remarkable progress coming to 167th from 183th position. According to the latest report, it takes at least 19.5 days on an average to start a business in the country.
- The government has taken a step to fix the ceiling and floor prices for mobile data with a view to controlling the charge for browsing internet through smart devices. Currently, price of per megabyte of data ranges from BDT 0.09 to BDT 0.14. But according to a cost modelling study by the International Telecommunication Union, the minimum price for per MB should be BDT 0.26. But both Grameenphone and Robi believes the upper and lower limits for mobile data rates are needed to stop the ongoing price war.
- According to RMMRU, the real remittance earnings of male workers dropped by 26% in 2017 as compared to 2014 considering inflation. On the other hand, the remittance earnings of women workers increased by 1.5%. Considering the inflation rate, the remittances earnings of women workers, however, dropped by 15% in 2017 compared to that of 2014.

### Stock Market arena:

- ADN Telecom's IPO share bidding is going to begin from November 05 and will continue until 5.00pm on November 08. It will raise a capital worth BDT 570.0 million under the book building method. As per the financial statement for the year ended on June 30 last year, the net asset value (NAV) per share is BDT 16.13, basic EPS is BDT 2 and weighted average EPS is 1.81.
- The board of directors of AB Bank Ltd has decided to issue fully redeemable non-convertible subordinated bond for enhancement of Tier-II capital. The AB Bank subordinated bond-IV will be BDT 5.0 billion with seven years maturity. The bank will issue the bond for raising fund for enhancement of Tier-II capital and to strengthen the regulatory capital base of the bank.
- National Board of Revenue (NBR) has offered a set of tax benefits to Summit LNG Terminal Co (Pvt) Ltd, including tax waiver for 15 years on its income. Summit LNG was also exempted from payment of tax on capital gain derived from share transfer within 15 years of its commercial operation. The tax benefit for the company will be valid with retrospective effect from March 5, 2018 and will continue up to 15 years from the date of commercial production.
- Confidence Cement will install the cost effective Slag Dryer plant on the factory premises for ensuring uninterrupted production of existing Unit-2 and Unit-3 plants. Unit-1 plant on the factory premises was decided to be demolished by the board as the plant was not able to deliver cost effective production for the company.

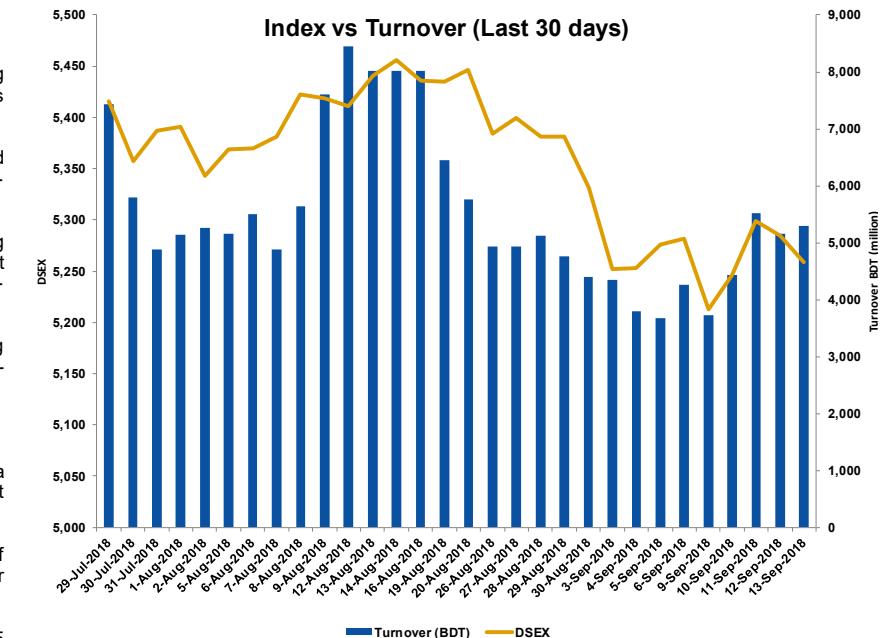
Table 1: Index

Index	Closing	Opening	Δ(Pts)	31-Dec-2016	Δ% Week	Δ%YTD
DSEX	5,258.48	5,282.04	-23.56	6,244.52	-0.45%	-15.79%
DS30	1,865.36	1,876.06	-10.70	2,283.23	-0.57%	-18.30%
DSES	1,216.05	1,223.79	-7.74	1,390.67	-0.63%	-12.56%

Table 2: Market Statistics

		This Week	Last Week	%Change
Mcap	Mn BDT	19,157,828.5	19,128,728.0	0.2%
	Mn USD	230,456.3	230,106.2	
Turnover	Mn BDT	24,117.0	20,474.6	17.8%
	Mn USD	290.1	246.3	
Average Daily Turnover	Mn BDT	4,823.4	4,094.9	17.8%
	Mn USD	58.0	49.3	
Volume	Mn Shares	671.8	557.1	20.6%

Figure 1: DSEX & Turnover in last four weeks



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**Table 3: Top Ten Gainers**

Company Name	Close	Open	Δ%	Mcap (mn BDT)	Vol (mn BDT)	P/E	P/B
Saiham Cotton Mills Limited	19.60	13.80	42.0%	2,916.0	212.29	18.4x	1.1x
Information Services Network Ltd.	38	27.70	36.8%	413.9	51.21	NM	2.6x
In Tech Online Ltd.	55.50	42.00	32.1%	1,566.1	542.48	56.2x	5.5x
Queen South Textiles Mills Limited	46.80	36.20	29.3%	4,687.0	126.55	32.1x	2.9x
Intraco Refueling Station Limited	32.80	25.70	27.6%	2,460.0	257.09	NM	2.7x
SK Trims & Industries Limited	38.50	30.40	26.6%	1,540.0	442.90	29.0x	3.0x
Alif Industries Limited	84.10	70.80	18.8%	3,161.9	396.47	24.1x	6.9x
Libra Infusions Limited	886.10	749.00	18.3%	1,109.0	165.85	182.3x	0.6x
M.L. Dyeing Limited	33.10	28.00	18.2%	5,309.6	282.23	23.9x	1.5x
Dulamia Cotton	33.40	28.60	16.8%	252.4	1.68	NM	NM

**Table 4: Top Ten Losers**

Company Name	Close	Open	Δ%	Mcap (mn BDT)	Vol (mn BDT)	P/E	P/B
GBB Power Limited	8.60	12.30	-30.1%	875.5	31.26	7.9x	0.8x
Khulna Printing & Packaging Limited	19.20	22.60	-15.0%	1,402.4	36.43	NM	1.1x
BD Autocars	245.50	285.10	-13.9%	1,062.0	52.09	298.1x	69.1x
EXIM Bank	9.70	11.00	-11.8%	13,698.8	213.25	4.7x	0.5x
Sonargaon Textiles	17.50	19.80	-11.6%	463.2	9.07	NM	0.6x
Beximco Synthetics	6.10	6.90	-11.6%	528.9	1.70	NM	0.3x
Khulna Power Company Limited	111.90	125.50	-10.8%	40,427.8	1,541.00	22.1x	4.5x
Emerald Oil Industries Ltd.	9.30	10.40	-10.6%	555.3	1.82	3.1x	0.6x
Khan Brothers PP Woven Bag Industries Limited	11.40	12.70	-10.2%	1,118.1	17.86	15.6x	1.0x
Aramit Cement	19.40	21.50	-9.8%	657.3	2.28	NM	1.6x

**Table 5: Top Ten Most Traded Shares**

Company Name	Close	Open	Δ%	Mcap (mn BDT)	Vol (mn BDT)	P/E	P/B
Khulna Power Company Limited	111.90	125.50	-10.8%	40,427.8	1,541.00	22.1x	4.5x
Shahjalal Islami Bank	31.50	32.00	-1.6%	26,729.8	614.96	16.1x	1.9x
Monno Ceramic	354.40	346.10	2.4%	8,904.1	613.52	3382.9x	3.9x
Nurani Dyeing & Sweater Limited	22.70	19.70	15.2%	2,072.5	553.09	38.4x	2.0x
In Tech Online Ltd.	55.50	42.00	32.1%	1,566.1	542.48	56.2x	5.5x
Summit Power	43.00	43.70	-1.6%	45,918.7	496.80	10.5x	1.8x
Advent Pharma Limited	43.00	38.60	11.4%	2,949.8	492.56	60.6x	3.7x
BBS Cables Limited	119.10	116.80	2.0%	16,435.8	481.46	39.8x	7.1x
VFS Thread Dyeing Limited	57.90	50.30	15.1%	4,905.0	470.11	34.8x	3.3x
United Power Generation & Distribution Company Ltd	318.20	332.00	-4.2%	152,445.5	463.06	36.5x	13.2x

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

Top 10 Most Appreciated Stocks	Close	Δ% YTD	Mcap (mn BDT)	P/E
Summit Power	43.00	19.78%	45,918.7	10.5x
Berger Paints	1,224.10	18.67%	56,771.2	28.1x
Mutual Trust Bank	36.80	18.29%	21,099.8	14.4x
Singer Bangladesh	215.60	10.28%	16,535.3	30.3x
Marico Bangladesh Limited	1,188.80	7.48%	37,447.2	26.0x
Delta Life Insurance	112.70	4.74%	13,946.6	NM
Jamuna Bank	17.80	-1.29%	13,336.2	7.4x
Delta Brac Housing	132.90	-2.28%	16,194.1	20.6x
BATBC	3,307.80	-2.76%	198,468.0	26.2x
Padma Oil Co.	225.30	-5.73%	22,131.8	10.9x

**Table 6: Sector Indices**

Sector Name	Week Close	Week Open	Year Open	%Δ Week	%Δ YTD
Banks	1381.95	1400.89	1848.21	-1.35%	-25.23%
NBFIs	2115.70	2103.05	2714.85	0.60%	-22.07%
Mutual Funds	633.60	633.12	788.81	0.07%	-19.68%
General Insurance	1362.00	1353.52	1592.30	0.63%	-14.46%
Life Insurance	2029.32	2007.15	1834.85	1.10%	10.60%
Telecommunication	5248.20	5276.66	6494.31	-0.54%	-19.19%
Pharmaceuticals	2580.15	2547.59	2821.05	1.28%	-8.54%
Fuel & Power	1862.48	1908.30	1527.27	-2.40%	21.95%
Cement	1692.31	1776.01	2280.58	-4.71%	-25.79%
Services & Real Estate	1028.93	1018.75	1224.11	1.00%	-15.94%
Engineering	2876.26	2895.80	3166.83	-0.67%	-9.18%
Food & Allied	14093.22	14205.38	15304.34	-0.79%	-7.91%
IT	1399.63	1282.23	1484.41	9.16%	-5.71%
Textiles	1384.83	1316.69	1222.72	5.17%	13.26%
Paper & Printing	9873.64	10157.53	1013.11	-2.79%	874.59%
Tannery	2499.49	2495.50	2642.41	0.16%	-5.41%
Jute	10698.76	10818.41	8867.22	-1.11%	20.66%
Ceramics	590.13	589.19	597.46	0.16%	-1.23%
Miscellaneous	1825.77	1828.06	1725.62	-0.13%	5.80%

**Table 7: Sector Trading Matrix**

Sector Name	Daily average this Week	Daily average last week	% Change	% of Total Turnover	PE	PB
Banks	521.9	107.9	383.80%	11.20%	8.9x	1.0x
NBFIs	267.3	35.1	661.02%	5.74%	19.9x	2.0x
Mutual Funds	15.0	3.7	308.83%	0.32%	NM	0.5x
General Insurance	59.3	9.1	548.46%	1.27%	12.4x	0.9x
Life Insurance	118.6	26.5	347.73%	2.55%	NM	8.4x
Telecommunication	73.0	15.8	361.02%	1.57%	23.1x	17.0x
Pharmaceuticals	603.8	87.5	589.73%	12.96%	19.3x	3.2x
Fuel & Power	651.9	99.7	554.08%	13.99%	15.8x	2.4x
Cement	76.4	11.6	561.38%	1.64%	19.0x	3.1x
Services & Real Estate	110.3	12.8	763.38%	2.37%	25.8x	0.9x
Engineering	473.7	80.3	490.09%	10.17%	22.8x	2.1x
Food & Allied	114.3	13.1	772.80%	2.45%	28.6x	10.1x
IT	174.1	13.7	1167.85%	3.74%	27.0x	2.9x
Textiles	906.8	120.0	655.52%	19.46%	22.0x	1.2x
Paper & Printing	43.2	7.5	479.23%	0.93%	NM	5.3x
Tannery	61.4	10.9	462.79%	1.32%	19.1x	3.0x
Jute	12.7	2.8	353.16%	0.27%	NM	4.5x
Ceramics	134.6	38.2	252.32%	2.89%	28.5x	2.2x
Miscellaneous	240.5	28.6	740.48%	5.16%	25.3x	1.2x

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

Top 10 Least Appreciated Stocks	Close	Δ% YTD	Mcap (mn BDT)	P/E
Lankabangla Finance	23.00	-48.27%	7,868.8	9.9x
AB Bank	11.50	-47.96%	8,718.5	5.8x
United Airways (BD) Ltd.	3.00	-46.43%	2,061.9	10.6x
EXIM Bank	9.70	-43.60%	13,698.8	4.7x
Lafarge Surma Cement	44.60	-36.19%	51,797.3	23.3x
Islami Bank	23.50	-35.79%	37,834.8	8.4x
IFIC Bank	10.50	-34.67%	14,852.4	9.4x
City Bank	31.50	-34.56%	30,491.6	7.5x
Rupali Bank	35.90	-32.76%	13,517.0	NM
Prime Bank	16.80	-32.55%	19,022.4	8.7x

## Important News: Business & Economy

### Bangladesh Bank relaxes rules on forex forward buy-sale

- The central bank has relaxed regulations on forward sale and purchase of foreign exchange (forex) to bring dynamism in hedging transactions. Besides, customers are allowed to receive their exchange gains after closing forward deals.
- Such relaxations will help foreign contractors or service providers to get an additional tool for hedging long-term forex risk exposures.
- Under the flexibility, forward contracts may be renewed/rolled over/extended for new delivery period at the prevailing market rate, provided the authorized dealers (ADs) are satisfied with documentary evidences that the customers are unable to carry out the contracts due to changes in the actual requirements or other valid exigencies.

<http://today.thefinancialexpress.com.bd/first-page/bb-relaxes-rules-on-forex-forward-buy-sale-1541008342>

### Cost may come down even to zero as market reopens soon for Malaysia-bound Bangladeshi workers

- The cost of migration for Malaysia-bound Bangladeshi workers would come down under a proposed recruitment process, according to a decision of a joint working group.
- Besides, the market is expected to be opened within a short period of time while all the eligible manpower recruitment agencies will be entitled to send workers there.
- Bangladeshi workers would be able to go to Malaysia with almost zero migration cost. The employers will bear all the relevant expenses.
- The employers will hire workers through authorized recruitment agencies of Malaysia. Otherwise, they can recruit directly through the Bangladeshi recruitment agencies.

<http://today.thefinancialexpress.com.bd/trade-market/cost-may-come-down-even-to-zero-as-market-reopens-soon-1541007206>

### Bangladesh moves one spot up but Afghanistan eclipses it

- Bangladesh notched one spot up, rising to the 176th place, in the World Bank's annual ranking of the economies for their ease of doing business, but war-tattered Afghanistan managed to outshine it.
- The "Doing Business 2019" report, released by the World Bank on Wednesday, ranked 190 countries globally.
- Bangladesh ranked 177th last year's ease of doing business index from 176th in 2016.
- The index is based on 10 main pillars or sub-indices. On 'starting a business,' the country's position deteriorated to 138th this year from 131st in the past year. According to the latest report, it takes at least 19.5 days on an average to start a business in the country.

<http://today.thefinancialexpress.com.bd/first-page/bd-moves-one-spot-up-but-afghanistan-eclipses-it-1541008225>

<https://www.thedailystar.net/business/news/bangladesh-comes-last-south-asia-1654666>  
<http://www.newagebd.net/article/54661/bangladesh-ranks-176th-among-190-countries>

### Power supply erratic despite increased coverage: State minister

- The power and energy sector has attracted investments of USD 18.0-20.0 billion over the past decade, helping the country to attain 'astonishing' development, said Prime Minister's energy adviser.
- The power projects, which the Prime Minister will inaugurate, include 275 megawatt (MW) Barapukuria coal-fired power plant, 100-MW Brahmanaon HSD power plant, 100 MW Awrahati HSD power plant, 149MW Kadda HFO power plant, 300MW Pangaon HSD power plant, 141 MW Sirajganj dual-fuel combined cycle power plant and 20 MW solar power plant.

<http://today.thefinancialexpress.com.bd/last-page/power-supply-erratic-despite-increased-coverage-nasrul-1541008598>

### Regulator moves to fix mobile data price

- The government has taken a fresh step to fix the ceiling and floor prices for mobile data with a view to controlling the charge for browsing internet thought smart devices.
- Currently, price of per megabyte of data ranges from BDT 0.09 to BDT 0.14. However, according to a cost modelling study by the International Telecommunication Union, the minimum price for per MB should be BDT 0.26.
- Both Grameenphone and Robi said the upper and lower limits for mobile data rates are needed to stop the ongoing 'price war'.
- Given the current state of digitalisation in Bangladesh, it is too early to impose data floor pricing, according to spokesperson of Banglalink.
- Access to affordable internet is one of the key enablers of digital Bangladesh but over the last five years, mobile internet price has been slashed 80% though the spectrum price, regulatory fees, taxes and the overall cost have increased substantially.

<https://www.thedailystar.net/business/news/regulator-moves-fix-mobile-data-price-1654645>

### 4 tower companies get licenses today

- Bangladesh Telecommunication Regulatory Commission will hand over licences to four tower sharing companies today, paving the way to separate ownership of mobile phone operators from mobile phone towers.
- The telecom regulator recently issued letters to the top officials of licence winning entities — Edotco Bangladesh Company, TASC Summit Towers, ISON Tower Bangladesh Private (renamed as Kirtonkhola Tower Bangladesh), and AB Hightech Consortium.
- The companies had already completed legal requirements along with payment of BDT 250 million each in licence fees to get the licences.
- The entities also deposited value-added tax at the rate of 15% applicable on the licence

fees to the telecom regulator.

<http://www.newagebd.net/article/54667/4-tower-cos-get-licences-today>

### 'Real remittance' income declines in three years

- The 'real remittance' earnings of male workers dropped by 26% in 2017 as compared to 2014, if the inflation rate is considered, according to a panel data prepared by Refugee and Migratory Movements Research Unit (RMMRU).
- The findings also showed that the remittance earnings of women workers increased by 1.5%. Considering the inflation rate, the remittances earnings of women workers, however, dropped by 15% in 2017 compared to that of 2014.

<http://today.thefinancialexpress.com.bd/trade-market/real-remittance-income-declines-in-three-years-1540920774>

### Bangladesh Bank (BB) frames guidelines to help cut non-performing loans (NPLs)

- The central bank has introduced guidelines on the Internal Credit Risk Rating System (ICRRS), aiming to reduce the volume of classified loans through maintaining credit risk exposure within acceptable levels.
- The guidelines along with a model will be a valuable addition to the credit risk management tools, which will help the banks develop and maintain a better-quality credit portfolio, officials said.
- According to senior official of the Bangladesh Bank (BB) it will also play an important role in reducing non-performing loans (NPLs) in the country's banking sector.
- Some 20 sub-sectors under four key sectors have been included in the model considering financial risks and efficiency of the borrow management, the central banker explained.

<http://today.thefinancialexpress.com.bd/first-page/bb-frames-guidelines-to-help-cut-npls-1540922136>

### External debts up by 141% in two years

- The volume of Bangladesh's external debts surged by 141% to USD 54.7 billion in two years to June last, says the central bank.
- The volume of external debts at the end of March 2016 stood at USD 38.9 billion, the Bangladesh Bank (BB) said in its quarterly financial stability assessment report.
- It said the short-term foreign borrowings accounted for 22% of the total external debts in June 2018.
- The cumulative growth of the same hit 205% during the period of March 2016 to June 2018.
- However, the report stated that the current external debt-GDP ratio seemed to be low. In the fiscal year 2017-18, the external debt-GDP ratio stood at 20% and the short-term external debt-GDP ratio 4.44%.

<http://today.thefinancialexpress.com.bd/first-page/community-bank-gets-bb-nod-1540835381>

### China firm keen to invest USD 200.0 million

- Jiangsu Sanfangxiang Group (SFX Group), a Chinese conglomerate, is keen to invest USD 200 million in Bangladesh to set up a petrochemical and chemical fibre production park in a joint venture with Deshbandhu Group.
- The parties are holding talks with the Bangladesh Economic Zones Authority seeking to get more than 100 acres of land at the Mirsarai economic zone in Chattogram for the complex.
- Deshbandhu Group will only bear the costs associated with the land and SFX Group will bring technologies and the remaining investment for the project.
- In the first phase a complex would be constructed with a daily production capacity of 900 tonnes of polyester.
- In the second phase, a petrochemical plant would be established with local infrastructure and investment. They would eventually require USD 2.0 billion in investment and a minimum of 1,000 acres of land, creating 2,500 jobs directly.
- With a production capacity of 2 million tonnes of polyester per year, SFX Group's annual sales amount to USD 8.62 billion while export earnings standing at USD 900.0 million.

<https://www.thedailystar.net/business/news/china-firm-keen-invest-200m-1653709>

### Four new banks to get licence

- Giving in to pressure from government high-ups, Bangladesh Bank has set in motion the process of giving licences to four proposed commercial banks. If the four new banks get approval, the number of banks in the country will be 62.
- The four proposed banks are: Community Bank Bangladesh, Bengal Bank, People's Bank and Citizen Bank. Community Bank Bangladesh, proposed to be set up by Bangladesh Police Welfare Trust (BPWT), is a concern of Bangladesh Police, while the sponsors of the other three have strong links with the ruling Awami League.
- Bengal Bank, initiated by Bengal Group of Industries, is a local manufacturer of plastic products. Last year, the BB turned down the proposals for giving licenses to new banks despite pressure from the finance ministry. Experts also opposed such move, saying the sector is already saturated and its overall health especially that of the relatively new banks, has been declining.
- But BB's resistance didn't last long as they faced mounting pressure from government high-ups, including Finance Minister.

<https://www.thedailystar.net/backpage/news/four-new-banks-get-licence-1653208?fbclid=IwAR2IT6yqwcYtB1vpPuVrYvsrh1MFjHrRbptma3iO47QCNKIqdCS7yeZh0wA>

### Private bank financing below 2.0%: Study

• Private bank financing for the agricultural sector remained less than 2.0% out of their total loans during the period between 2007 and 2017, according to a latest research conducted by Bangladesh Institute of Bank Management (BIBM) on some 24 banks.

- Besides, short-term loan disbursement was higher than that of long-term loan during the period.
- On the other hand, the financing was 8.0% for public banks, it showed.
- The countries also agreed to boost bilateral trade turnover within the next few years.

<http://today.thefinancialexpress.com.bd/last-page/private-bank-financing-below-20%-study-1540835839>

### The white elephant called central tax zone of National Board of Revenue (NBR)

- The government has spent a staggering BDT 320.0 million for more than a decade and a half for the central tax survey zone that is running without conducting survey.
- Every year, the government allocates BDT 20.0 million for the central survey zone and its seven circle offices across the country.
- Ignoring the separate wing, the revenue board has empowered field-level tax offices to conduct the new taxpayers' survey in 2001.
- Currently, the field-level tax offices are carrying out a survey despite the separate zone existing.
- The survey-related task of the central survey zone has been suspended on an excuse of 'underperformance', they mentioned.
- In the past 16 years, the National Board of Revenue (NBR) neither disbanded the zone nor strengthened its capacity to do so.

<http://today.thefinancialexpress.com.bd/last-page/the-white-elephant-called-central-tax-zone-of-nbr-1540835749>

### Strike hits traffic, trade: Public woes mount

- The 48-hour transport workers' strike crippled trade and communications for the second day on Monday, taking a heavy toll on all kinds of economic activities.
- Overall commodity supply chain has been severely disrupted, export-import activities have been halted, and transportation of goods to and from all seaports and land ports have stopped due to the strike. Prices of major essential items have shot up due to total supply stoppage.
- Daily loss due to the strike called by Bangladesh Road Transport Workers Federation (BRTWF) is estimated at more than BDT 2.0 billion, according to sources.

<http://today.thefinancialexpress.com.bd/first-page/strike-hits-traffic-trade-public-woes-mount-1540835195>

<http://www.newagebd.net/article/54489/transport-strike-hits-economic-activities-hard-fbcci>

### Government signs USD 300 million financing agreement with World Bank

- With a view to modernizing the cash transfer of major social protection programs, the government signed a USD 300.0 million financing agreement with the World Bank on Sunday, reports BSS.
- This will bring transparency and efficiency in the disbursement process and help nearly 6.5 million poorest and vulnerable people, including the elderly, widows, and people with disabilities, get the benefit easily.
- The credit is provided by the International Development Association, the World Bank's concessional lending arm, which provides grants or zero-interest loans.

<http://today.thefinancialexpress.com.bd/trade-market/govt-signs-300m-financing-agreement-with-wb-1540744255>

<https://www.thedailystar.net/country/bangladesh-signs-financing-deal-with-world-bank-sign-1652887>

### Bangladesh Bank (BB) issues show-cause notices to nine banks

- The central bank issued show-cause notices to nine banks on Sunday for allegedly providing misleading information about foreign exchange rate, particularly for importers.
- The BB probe team found that the banks reported the BC (Bill for Collection) selling rate at BDT 83.85 to the central bank, although they sold the greenback to the importers at rates ranging between BDT 84.70 and BDT 84.95.
- The demand for the USD is increasing gradually, mainly due to higher import payment pressure, particularly for the petroleum products and capital machinery, according to the market operators.
- The central bank has been providing its foreign exchange support continuously through selling US Dollars to the banks for settlement of the import bills.
- A total of USD 327.0 million has been sold to the commercial banks since July 01 in the current fiscal year (FY), 2018-19, as part of its ongoing support, the BB data showed.

<http://today.thefinancialexpress.com.bd/last-page/bb-issues-show-cause-notices-to-nine-banks-1540749011>

<https://www.thedailystar.net/business/news/probe-find-bbs-faults-1653163>

### Raise investment-Gross Domestic Product ratio to improve economic status

- Bangladesh needs to accelerate its investment to gross domestic product ratio to achieve the status of an advanced economy by 2041, said a senior banker of Standard Chartered yesterday.
- CEO and managing director of Standard Chartered Malaysia said that currently the investment to GDP ratio in Bangladesh is hovering around 30%. Definitely, it needs to be



increased and it is possible to increase.

- According to him Bangladesh's economy has been one of the most consistent in the world delivering 6% plus GDP growth for more than a decade.
- He suggested that achieving the status of an advanced economy by 2041 is possible but Bangladesh's GDP size will have to be USD 1.7 trillion and per capita income should be over USD 12,000. To achieve the target on time, the country will need an investment of USD 320 billion to develop infrastructures, he added.

<https://www.thedailystar.net/business/news/raise-investment-gdp-ratio-improve-economic-status-1653157>

### **Offer more funds to plug infrastructure gaps**

- Bangladesh needs huge funds to develop its ailing infrastructure but the private players have hardly shown any interest to chip in due to a lack of policy support from the government, said analysts yesterday.
- The country needs investment of USD 136.0 billion in roads infrastructure, USD 25.0 billion in economic zones and USD 26.0 billion for water sector development
- In the power sector, Bangladesh needs USD 60.0 billion in investment to ensure generation of 30,000 megawatt of electricity by 2030.
- Bangladesh loses USD 3.0 billion annually due to traffic congestion, while only 15% people have access to clean drinking water. The country needs investment of USD 320.0 billion in the infrastructure sector over the next 12 years.

<https://www.thedailystar.net/business/news/offer-more-funds-plug-infrastructure-gaps-1653166>

### **'One stop services for Foreign Direct Investment (FDI) to formally inaugurate in December'**

- Authorities are going to formally inaugurate the one-stop service (OSS) to make Foreign Direct Investment (FDI) much easier, said a Bangladesh Export Zone Authority (BEZA) executive official.
- The government decided to initiate the OSS services in response to investors' complaints on the cumbersome service procedures and unnecessary delays in getting their businesses rolling in Bangladesh.

<https://www.dhakatribune.com/business/2018/10/29/one-stop-services-for-fdi-to-formally-inaugurate-in-december>

### **Central banks of Russia, Bangladesh to create a platform**

- The central banks of Bangladesh and Russia will provide a platform to discuss topical issues on financial and banking cooperation between the two countries.
- They also agreed to further explore the possibility of expanding inter-bank cooperation

and correspondent relations as well as using direct correspondent accounts.

- Currently, both the countries lack direct trade arrangement and connectivity, which affects bilateral trade, business and investment between them.
- The countries also agreed to boost bilateral trade turnover within the next few years.

<http://today.thefinancialexpress.com.bd/last-page/central-banks-of-russia-bd-to-create-a-platform-1540748836>

### **Information and Communications Technology (ICT) Department inks BDT 80 billion deal with Chinese firm**

- Department of Information and Communications Technology (ICT) and China Railway International Group (CRIG) inked the deal, involving BDT 80.0 billion, to implement a project titled "Establishing Digital Connectivity".
- Department of ICT will implement the project. The tenure of the project is from January 2019 to January 2021.
- After implementation of the project, users irrespective of their areas or locations (towns and villages) will get faster broadband internet service at the same price/rate fixed by the authority earlier.
- Under the project, 35,500 Sheikh Russell computer labs will be set up at educational institutions to benefit seven million students in the country.
- In addition, 54 public universities of the country will have computer labs and get high-tech supports.
- ICT training labs will be set up in 491 upazilas of the country for imparting training to the people.
- One hundred digital villages will be established to provide ICT related training to 10,000 farmers for boosting the agricultural production.

<http://today.thefinancialexpress.com.bd/trade-market/ict-dept-inks-BDT-80b-deal-with-chinese-firm-1540744218>

### **Korea-led joint venture to work as project consultant**

- A South Korea-led joint venture will work as the project implementation consultant (PIC) for the regional corridor (Elenga to Rangpur) development project.
- Led by the Korea Consultants International (KCI) Company Ltd., the joint venture comprises companies from Japan, Germany, the Philippines, India and Bangladesh.
- The Roads and Highways Department (RHD) signed a BDT 3.8 billion contract with the Korean company at a ceremony in the city on Thursday.
- Under the deal, the joint venture will carry out mainly supervision consultancy work for the construction of four-lane Elenga-Hatikamrul national highway, among other assignments.

<http://today.thefinancialexpress.com.bd/last-page/korea-led-joint-venture-to-work-as-project-consultant-1540748951>

### **Bangladesh export earnings to India see 142% growth**

- Bangladesh's exports to India have seen a sharp rise by 142% to USD 375.0 million in the first quarter of the current fiscal year, thanks to duty free market access. The earnings were USD 155.0 million in the same period last year, according to the data of Export Promotion Bureau (EPB).
- The apparel sector alone fetched USD 145.1 million, or nearly 35% of total export earnings. Knitwear products contributed USD 37.8 million, while woven items earned the remaining USD 107.4 million.
- Global retailers are opening more outlets in India, which is a big reason for the sharp rise. Also, production costs in India went up due to implementation of the Goods and Services Tax (GST) in India and local taxes for transporting goods from one state to another. As a result, imported goods, particularly apparel products, have become more profitable for Indian traders, as Bangladesh enjoys duty free market access to India.

<https://www.dhakatribune.com/business/2018/10/28/bangladesh-export-earnings-to-india-see-142-growth>

### **Import payments for fuel oils jump 105% in July-August**

- The country's import payments for fuel oils soared by 105.07% in the first two months (July-August) of the current financial year (2018-19) compared with that in the same period of FY 2017-18.
- Bangladesh Bank officials said the import of fuel oils, crude and refined, rose due to an increased demand for the items in the newly established fuel-based power plants and price hike of the commodity in the international market.
- According to Bangladesh Bank data, the country settled import payment worth USD 791.7 million for petroleum oils in July-August of FY19, which was USD 386.1 million in the same period of FY18.

<http://www.newagebd.net/article/54110/import-payments-for-fuel-oils-jump-105%-in-jul-aug>

### **World Bank okays USD 425.0 million to improve rural bridges in Bangladesh**

- The World Bank on Friday approved USD 425.0 million to improve road connections in Bangladesh through building, maintaining and improving rural bridges to benefit two-thirds of the country's people.
- The operation for supporting rural bridges programme will maintain 85,000 meters of bridges, widen or rehabilitate 29,000 meters of bridges and build another 20,000 meters of new bridges, said the Washington-based global lending agency.

The programme will also create jobs for local people by generating about 5.5 million person-day of employment, including long-term maintenance work. The program will support the government's existing program for developing and maintaining rural bridges.

<https://thefinancialexpress.com.bd/economy/bangladesh/world-bank-okays-425m-to-improve-rural-bridges-in-bangladesh-1540548990>

### **USD 850.0 million World Bank, Asian Development Bank loans for primary education, health, fisheries projects**

- Two multilateral agencies, The World Bank (WB) and the Asian Development Bank (ADB), will provide USD 850.0 million loans for primary education, urban health improvement and marine fisheries enhancement projects.
- The ADB will provide USD 500.0 million in loans for improving primary education and USD 110.0 million for urban primary healthcare services.
- On the other hand, the WB will lend USD 240.0 million to develop marine and coastal fisheries and aquaculture.
- The government will work to upgrade primary education under the USD 14.7 billion Primary Education Development Program (PEDP)-4.
- Under the USD 110.0 million additional ADB loan, city corporations and some municipalities will work to improve access to urban primary healthcare services through public-private partnership.
- The USD 240.0 million WB loan will help fisheries department and Social Development Foundation (SDF) improve management and production in marine and coastal fisheries and aquaculture.

<http://today.thefinancialexpress.com.bd/trade-market/850m-wb-ADB-loans-for-pry-edn-health-fisheries-projects-1540571277>

<https://www.thedailystar.net/business/news/850m-wb-ADB-loans-education-health-1651870>

### **Savers face dearth of government savings tools**

- Supply shortage of different types of state-run savings certificates in many post offices and bank branches has been causing problems for many savers willing to invest funds in these instruments.
- But the availability of savings certificates at Department of National Savings (DNS) bureau offices has been almost steady.
- Some investors suspect that the short supply is being created deliberately to limit their overall sales. The government's borrowing from the saving scheme has already overshot the target.
- Sector insiders said the sales of high-yielding savings certificates have been rising during the last few years, as people do not have better investment options.

<https://thefinancialexpress.com.bd/economy/bangladesh/savers-face-dearth-of-govt-savings-tools-1540612505>

### **National Board of Revenue (NBR) move to overhaul taxation regime falters**

- The National Board of Revenue (NBR) has initiated a plethora of reform initiatives since the 1990s, but those have produced little results in overhauling the taxation regime.

- One case in point is the modernization plan under which the revenue board aimed to raise taxation to GDP (gross domestic product) ratio to 13% by 2016. But that goal remains elusive, with the ratio hovering at 10% until fiscal year 2017-18.

- Except for the online issuance of Taxpayers Identification Number (TIN), other digitization efforts yielded no positive outcome. Tax-collecting authorities had to suspend many of the initiatives, including e-payment of tax just after a few months of its grand inauguration.

<http://today.thefinancialexpress.com.bd/public/first-page/nbr-move-to-overhaul-taxation-regime-falters-1540485397>

### **Mega insurance scheme kicks off Wednesday**

- The biggest-ever insurance development project will kick off Wednesday as the earlier efforts to make the sector vibrant have signally failed.

- The International Development Association (IDA) and the government are jointly funding BDT 6.3 billion to raise insurance coverage across the country.

- Under the project regulatory capacity will be strengthened and governance issues at the state-owned insurance companies be enhanced.

- It is expected that there would be around 22.0 million policyholders, both life and non-life, at the end of the project in December 2022.

<http://today.thefinancialexpress.com.bd/first-page/mega-insurance-scheme-kicks-off-wednesday-1540575657>

### **Corporate SIM sale now needs prior Bangladesh Telecommunication Regulatory Commission (BTRC) nod**

- Bangladesh Telecommunication Regulatory Commission (BTRC) has tightened its grip on the sale of corporate mobile connections to prevent misuse, including illegal activities, of the connections.

- The directive came against the backdrop of two persons being detained and over 550 SIMs of Grameenphone being seized from their possession by Rapid Action Battalion on October 7.

- A person can buy 15 SIMs. Each is registered against the person's fingerprint, personal information and photograph. It is stored in the national data server. However there is no such limit for companies or institutions. They just need to provide valid documents and a nominated person's national identification card and fingerprint against which the SIMs are registered.

- Law enforcers say this makes it troublesome to identify the real culprits for it provided a scope to play the blame game.

- The latest move will make it harder to collect corporate SIMs, said the BTRC officials.

<https://www.thedailystar.net/business/telecom/news/corporate-sim-sale-now-needs-prior-btrc-nod-1651861>

### **Telecommunication companies add 4.9 million users in Q3 after dismal Q2**

- The number of active mobile phone subscribers in the country increased by 4.9 million in the July-September period this year after a dismal growth in the April-June quarter with leading mobile phone operator Grameenphone attaining highest number of customers among the operators in the period.

- Four mobile phone operators, Grameenphone, Robi Axiata, Banglalink and Teletalk, had managed to attain only 0.7 million subscribers in the April-June quarter this year.

- A Bangladesh Telecommunication Regulatory Commission data released on Thursday showed that the country's total mobile phone users increased to 155.8 million at the end of September this year from 150.9 million at the end of June this year.

- The number of active subscribers of GP increased to 71.4 million at the end of September with the addition of 2.2 million subscribers in July-September from 69.2 million subscribers at the end of June.

- During the quarter, 2.0 million new subscribers opted for the second largest mobile phone operator, Robi Axiata Limited, taking the operator's subscriber base to 46.8 million from 44.7 million.

- The number of active subscribers of the third largest operator, Banglalink, increased by 0.4 million to 33.7 million at the end of September this year from 33.3 million at the end of June this year.

- State-owned mobile phone operator Teletalk continued to show dismal performance in term of attaining new subscribers as its subscriber base increased by only 0.1 million in July-September quarter to 3.9 million from 3.7 million at the end of June.

<http://www.newagebd.net/article/54108/telcos-add-49-lakh-users-in-q3-after-dismal-q2>

### **BTRC to outsource telecommunication companies' service quality checking**

- Bangladesh Telecommunication Regulatory Commission has decided to deploy outsourcing agency to measure quality of services provided by the country's telecom operators to their subscribers.

- The decision was made as the commission found that checking quality of services provided by the telecom operators including access network service providers in extensive volume would be difficult for the regulator to check with its existing manpower, the official said.

- BTRC statistics published in October this year showed that subscribers of the mobile phone operators lodged 1,496 complaints with BTRC in the July-September period this year regarding different problems. Issues of complaints included customers' dissatisfaction over network coverage, data package and volume offered by the mobile operators, Grameenphone, Robi, Banglalink and state-owned Teletalk.

<http://www.newagebd.net/article/54254/btrc-to-outsource-telcos-service-quality-checking>



## Important News: Capital Market

### Dhaka Stock Exchange (DSE) starts distribution of cheques among shareholders

- The country's premier bourse has started distribution of cheques of the fund received from Chinese consortium to its shareholders.
- In early September last, the DSE received BDT 9.62 billion in exchange of its one-fourth stake sold to the Chinese consortium comprising Shenzhen Stock Exchange and Shanghai Stock Exchange.
- Late, following a DSE plea, the government reduced capital gain tax to 5.0% from 15% on the fund received from Chinese consortium setting the condition of investing the fund in the capital market.
- The DSE shareholders will have to invest their funds in listed securities within six months. They will be allowed to conduct sell-buy and the principal amount will remain unchanged

<http://today.thefinancialexpress.com.bd/stock-corporate/dse-starts-distribution-of-cheques-among-shareholders-1541004212>

### ADN Telecom's IPO share bidding to begin Nov 05

- The bidding for determining the cut-off price for initial public offering (IPO) share of ADN Telecom Ltd by the eligible investors is set to begin on November 05.
- The electronic bidding will continue until 5.00pm on November 08 round-the-clock.
- The securities regulator - Bangladesh Securities & Exchange Commission (BSEC), allowed ADN Telecom to determine its cut-off price - a requirement for going public under the book building method.
- As per the regulatory approval, ADN Telecom will raise a capital worth BDT 570.0 million under the book building method.
- As per the financial statement for the year ended on June 30 last year, the net asset value (NAV) per share is BDT 16.13. The basic EPS (earnings per share) and adjusted EPS are BDT 2.52 and BDT 2.36 respectively. The weighted average EPS stood at BDT 1.81.

<http://today.thefinancialexpress.com.bd/stock-corporate/adn-telecoms-ipo-share-bidding-to-begin-nov-05-1541004283>

### AB Bank to issue BDT 5.0 billion bond

- The board of directors of AB Bank Ltd has decided to issue fully redeemable non-convertible subordinated bond for enhancement of Tier-II capital.
- The AB Bank subordinated bond-IV will be BDT 5.0 billion with seven years maturity, variable rated and fund will be raised through private placement.
- The interest will be payable semi-annually (7.0% to 10.50% or as approved by the

regulators) subject to approval from the concerned regulatory authorities like Bangladesh Bank and Bangladesh Securities and Exchange Commission, said the disclosure.

- The bank will issue the bond for raising fund for enhancement of Tier-II capital and to strengthen the regulatory capital base of the bank.

<http://today.thefinancialexpress.com.bd/stock-corporate/ab-bank-to-issue-BDT-50b-bond-1541004244>

### Summit Liquefied Natural Gas (LNG) gets tax waiver for 15 years

- National Board of Revenue (NBR) has offered a set of tax benefits to Summit LNG Terminal Co (Pvt) Ltd, including tax waiver for 15 years on its income.
- The company will also enjoy tax exemption on interest amount of foreign loan, royalties, technical know-how fees, and technical assistance fees for the period.
- NBR also exempted Summit LNG from payment of tax on capital gain derived from share transfer within 15 years of its commercial operation.
- The tax benefit for the company is considered to be valid with retrospective effect from March 5, 2018, the relevant date of the project, and will continue up to 15 years from the date of commercial production.

- In August 2018, Japanese Mitsubishi Corporation signed an agreement with Summit to acquire 25% stake in Summit LNG.

<http://today.thefinancialexpress.com.bd/last-page/summit-lng-gets-tax-waiver-for-15-years-1541008764>

<https://www.thedailystar.net/business/news/summit-lng-gets-15-yr-tax-break-1654660>  
<http://www.newagebd.net/article/54666/nbr-extends-income-tax-exemption-for-summit-lng-to-15yrs>

### BRAC Bank launches agent banking operation

- BRAC Bank Ltd on Tuesday commenced its agent banking operation to take banking solutions to underserved population living in remote parts of the country.
- The bank has started its agent banking with 10 outlets on the day covering all eight divisions of the country and set a target to increase the number to over 500 in next one year.
- Stating that BRAC Bank's vision of is to bring unbanked segment of the people under formal financial umbrella, Chairman of BRAC Bank said that agent banking will play significant role to fulfil the vision through its inclusive banking model.

<http://today.thefinancialexpress.com.bd/stock-corporate/brac-bank-launches-agent-banking-operation-1540917847>

<https://www.thedailystar.net/business/banking/news/brac-bank-offers-agent-banking-1654132>

<http://www.newagebd.net/article/54604/brac-bank-aims-high-with-agent-banking>

### Confidence Cement to install slag dryer plant

- Confidence Cement will install the cost effective Slag Dryer plant on the factory premises for ensuring uninterrupted production of existing Unit-2 and Unit-3 plants.
- The board has also decided to demolish the Unit-1 plant on the factory premises as the plant is not able to deliver cost effective production for the company, said an official disclosure on Tuesday.
- Maintenance cost and consumption of high electricity of the Unit-1, with production capacity is 600MT per day, was also a reason for shutdown of the unit as it is not financially viable for the company.
- Meanwhile, the board of directors of the company has recommended 15% cash and 20% stock dividend for the year ended on June 30, 2018.

<http://today.thefinancialexpress.com.bd/stock-corporate/confidence-cement-to-install-slag-dryer-plant-1540917552>  
<https://www.thedailystar.net/business/news/confidence-cement-get-rid-cost-ineffective-unit-1654120>

### **ONE Bank launches OK wallet service**

- ONE Bank Limited launched an OK wallet service to make mobile financial service proposition fast, more secure and more convenient for Bank's core banking customers and mobile banking customers.
- This OK Wallet will cater to wide range of services including cash deposit and withdrawal, in-store shopping by QR code, utility bill payment, money transfer, mobile recharge, inward remittance, insurance premium, salary disbursement, and e-commerce payment.

<http://today.thefinancialexpress.com.bd/trade-market/one-bank-launches-ok-wallet-service-1540920950>  
<http://www.newagebd.net/article/54607/one-bank-launches-ok-wallet-service>

### **Pacific Jeans investing USD 100.0 million to diversify products**

- Top denim maker Pacific Jeans is spending USD 100.0 million to set up two new factories in Chattogram in two years with the view to diversifying product base.
- One of the units, Pacific Knitex, will produce fabrics, while the other, Pacific Casuals, will make activewear, which would help the company broaden its product offerings from denim.

<http://today.thefinancialexpress.com.bd/first-page/bb-frames-guidelines-to-help-cut-npls-1540922136>

### **Golden Harvest to issue rights for business expansion**

- The board of directors of Golden Harvest Argo Industries Ltd has decided to issue rights shares, said an official disclosure on Sunday.
- The raised fund will be used for expansion of existing production and distribution channels and pay-off long-term loans of the company, according to the disclosure.

- The food & allied sector company, which was listed in Dhaka bourse in 2013, will issue one rights share for existing one share at BDT 10 per share.
- The board has also decided to increase the authorised capital of the company from BDT 2.0 billion to BDT 2.5 billion by amending clause "V" of the Memorandum of Association and Clause -5 of the Articles of Association of the company, subject to the approval of the shareholders in the annual general meeting (AGM).

<http://today.thefinancialexpress.com.bd/stock-corporate/golden-harvest-to-issue-rights-for-business-expansion-1540741167>

### **First Security Bank to issue BDT 7.0 billion bond Mobile app launched**

- The board of directors of First Security Islami Bank has decided to issue fully redeemable non-convertible "Mudaraba Subordinated Bond".
- The non-convertible subordinated bond will be BDT 7.0 billion and fund will be raised through private placement with seven years' maturity.
- The bank will issue the bond for raising fund to meet capital requirement under Basel III and strengthen its regulatory capital base.
- The First Security Islami Bank Limited (FSIBL) has launched its mobile app 'FSIBL Cloud' at the time of the 19th anniversary celebration on Thursday.

<http://today.thefinancialexpress.com.bd/public/stock-corporate/first-security-bank-to-issue-BDT-70b-bond-mobile-app-launched-1540482727>

### **Runner Auto signs deal with Pathao over Runner motorcycle sales**

- Runner Automobiles Ltd and mobile app-based ride sharing company Pathao Limited on Thursday signed a memorandum of understanding over sales of Runner brand motorcycles to customers interested to share rides using Pathao app.
- Under the MoU, any customer referred by Pathao will be able to purchase Runner brand motorcycle with 12 months or 18 months equal monthly instalments and a down payment below 20% of the total price of the product.

<http://www.newagebd.net/article/54106/runner-auto-signs-deal-with-pathao-over-runner-motorcycle-sales>