

Capital Market Overview

The market closed in green this week. The benchmark index DSEX (+3.69%) gained 168.53 points and closed the week at 4,733.14 points. The blue-chip index DS30 (+3.66%) gained 56.17 points and stood at 1,592.80 points. The Shariah-based index DSES (+4.21%) gained 43.99 points and stood at 1,089.81 points. The large cap index CDSET (+3.96%) gained 36.29 points and closed at 952.39 points. DSEX, DS30, DSES, and CDSET all posted positive YTD return of +6.29%, +5.25%, +9.00%, and +5.85% respectively

Total Turnover During The Week (DSE): BDT 45 billion (USD 543.9 million)
Average Daily Turnover Value (ADTV): BDT 9.0 billion (Δ% Week: +74.1%)

Market P/E: 13.69x

Daily Index Movement during the Week:

The market performed five sessions during this week. Market opened this week with a positive movement of 3.71% in the first session and continued to be positive in the second session by 0.72%. However, the market turned around in the third session by -0.58%. The market moved upward again by +0.37% in the fourth session and ended the week in negative at -0.52%.

Sectoral Performance:

- The financial sectors showed positive performance during this week except NBFIs (-2.33%) and General Insurance (-1.10%). Life Insurance booked the highest gain of 4.77% followed by Mutual Funds (+3.04%) and Banks (+1.64%).
- All the non-financial sectors showed positive performance during this week. Telecommunication booked the highest gain of 13.65% followed by Engineering (+9.10%), Pharmaceuticals (+3.48%), Power (+3.44%), and Food & Allied (+0.43%).

Macroeconomic arena:

- The government would revise the recent decision of halving the interest rate on post office savings schemes considering the concern of the marginalized and low-income people.
- The government approved a project which would make public a platform for interoperability in digital financial transactions, ensuring seamless transactions between payment systems alongside transparency and reducing transaction costs.
- Global rating agency Moody's Investors Service on Tuesday said that the impact of China's economic slowdown due to the coronavirus outbreak on Bangladesh economic growth would be minimal.
- The government would modernize the Mongla Sea Port with an Indian loan tagged on conditions of appointing contractors and buying goods from the loan providing country.
- The Bangladesh Bank has taken an initiative to deal with troubled banks as they have been increasing over the last one decade.
- The Asian Development Bank (ADB) has approved a second tranche loan of USD 170 million to conclude the Third Capital Market Development programme in Bangladesh.
- Merchant bankers on Saturday suggested offering special fiscal incentives, including tax and VAT waivers, to help woo large and renowned companies to the stock market.

Stock Market arena:

- GP said BTRC refused to accept BDT 1.0 billion, which the operator offered to the regulator on Wednesday as a positive gesture to engage in a dialogue to resolve audit dispute.
- The BB has given the primary nod to bKash to launch a service that would facilitate instant remittance of money into the country from Malaysia through a wallet-to-wallet payment system.
- BSEC on Tuesday approved the Express Insurance Limited's proposal to raise BDT 260.7 through an Initial Public Offering.

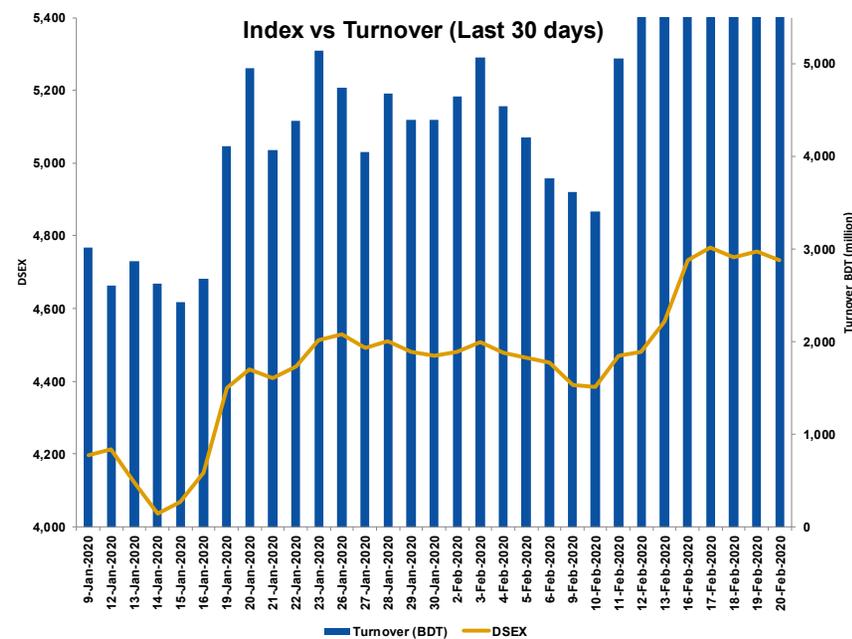
Table 1: Index

Index	Closing	Opening	Δ(Pts)	30-Dec-2019	Δ% Week	Δ%YTD
DSEX	4,733.14	4,564.61	168.53	4,452.93	3.69%	6.29%
DS30	1,592.80	1,536.63	56.17	1,513.35	3.66%	5.25%
DSES	1,089.81	1,045.82	43.99	999.83	4.21%	9.00%
CDSET	952.39	916.10	36.29	899.76	3.96%	5.85%

Table 2: Market Statistics

		This Week	Last Week	%Change
Mcap	Mn BDT	17,877,734.7	17,026,457.0	5.0%
	Mn USD	215,057.6	204,817.2	
Turnover	Mn BDT	45,217.5	25,965.0	74.1%
	Mn USD	543.9	312.3	
Average Daily Turnover	Mn BDT	9,043.5	5,193.0	74.1%
	Mn USD	108.8	62.5	
Volume	Mn Shares	1,670.3	1,003.9	66.4%

Figure 1: DSEX & Turnover in last four weeks



Associate:
Md. Rafiqul Islam
 mrafiquislam@bracepl.com

Associate:
Md Mahirul Quddus
 mmahirul.quddus@bracepl.com

Table 3: Top Ten Gainers

Company Name	Close	Open	Δ%	Mcap (mn)	Vol (mn BDT)	P/E	P/B
Orion Pharma Ltd.	45.50	27.80	63.7%	10,647.0	873.53	12.4x	0.6x
ICB Employees Provident MF 1 Scheme 1	7	4.60	60.9%	555.0	79.17	NM	0.6x
Orion Infusion	83.00	53.50	55.1%	1,689.9	636.37	41.6x	6.9x
Premier Cement Mills Limited	76.00	51.00	49.0%	8,014.2	13.12	14.5x	2.0x
Saiham Textile	43.20	29.20	47.9%	3,912.3	198.65	NM	2.3x
SK Trims & Industries Limited	71.90	49.40	45.5%	6,089.9	576.59	30.4x	6.2x
M.I. Cement Factory Limited	55.10	38.50	43.1%	8,182.4	24.45	NM	2.0x
Hakkani Pulp & Paper	75.20	53.70	40.0%	1,428.8	148.47	NM	2.8x
Bangladesh Steel Re-Rolling Mills Limited	68.40	49.10	39.3%	16,147.1	206.27	10.1x	1.2x
ICB AMCL Third NRB Mutual Fund	6.60	4.80	37.5%	660.0	50.42	NM	0.6x

Table 4: Top Ten Losers

Company Name	Close	Open	Δ%	Mcap (mn BDT)	Vol (mn BDT)	P/E	P/B
Far Chemical Industries Limited	9.50	368.40	-97.4%	2,071.9	231.10	13.6x	0.6x
Shaympur Sugar	27.30	34.20	-20.2%	136.5	1.01	NM	NM
Standard Ceramic	501.70	621.80	-19.3%	3,241.3	295.29	NM	39.5x
Samata Leather	146.60	176.30	-16.8%	1,512.9	97.47	393.0x	10.1x
Sinobangla Industries	59.30	67.10	-11.6%	1,185.8	233.28	33.9x	2.7x
Zeal Bangla Sugar Mills	36.50	40.80	-10.5%	219.0	.56	NM	NM
Northern Jute	462.20	508.90	-9.2%	990.0	194.74	20.7x	8.1x
Emerald Oil Industries Ltd.	13.70	15.00	-8.7%	818.1	3.02	120.3x	0.9x
Alltex Industries Ltd.	8.60	9.40	-8.5%	481.3	6.21	NM	0.5x
Beach Hatchery Ltd.	15.30	16.60	-7.8%	633.4	8.32	NM	1.5x

Table 5: Top Ten Most Traded Shares

Company Name	Close	Open	Δ%	Mcap (mn BDT)	Vol (mn BDT)	P/E	P/B
LafargeHolcim Bangladesh Limited	47.30	46.60	1.5%	54,933.0	1,310.26	30.5x	3.6x
Summit Power	43.80	41.30	6.1%	46,773.0	1,157.30	8.6x	1.8x
Khulna Power Company Limited	57.60	52.10	10.6%	22,891.0	1,145.19	18.1x	2.4x
Orion Pharma Ltd.	45.50	27.80	63.7%	10,647.0	873.53	12.4x	0.6x
Grameenphone Ltd.	295.60	260.70	13.4%	399,148.7	831.41	11.6x	9.4x
Golden Harvest Agro Industries Ltd.	22.40	17.90	25.1%	4,834.8	705.17	16.3x	1.5x
Beximco Limited	17.10	15.00	14.0%	14,985.1	646.39	12.4x	0.2x
Indo-Bangla Pharmaceuticals Limited	23.60	22.80	3.5%	2,631.6	638.09	13.9x	1.9x
Orion Infusion	83.00	53.50	55.1%	1,689.9	636.37	41.6x	6.9x
ADN Telecom Limited	46.20	46.80	-1.3%	2,986.9	623.05	18.1x	2.8x

Table 8: Most Appreciated YTD in BRAC EPL Universe

Top 10 Most Appreciated Stocks	Close	Δ% YTD	Mcap (mn BDT)	P/E
M.I. Cement Factory Limited	55.10	41.28%	8,182.4	NM
LafargeHolcim Bangladesh Limited	47.30	40.77%	54,933.0	30.5x
Bangladesh Steel Re-Rolling Mills Limited	68.40	40.16%	16,147.1	10.1x
MJL Bangladesh Limited	81.90	29.38%	25,942.0	14.0x
Khulna Power Company Limited	57.60	23.34%	22,891.0	18.1x
GPH Ispat Limited	31.60	22.01%	11,951.0	14.9x
Doreen Power Generations and Systems Limited	71.20	20.88%	9,345.8	8.8x
BSRM Steel	47.30	20.66%	17,782.6	16.0x
Summit Power	43.80	20.66%	46,773.0	8.6x
Olympic Industries	195.80	18.67%	39,148.0	19.5x

Table 6: Sector Indices

Sector Name	Week Close	Week Open	Year Open	%Δ Week	%Δ YTD
Banks	1288.13	1267.33	1319.28	1.64%	-2.36%
NBFIs	1629.23	1668.17	1565.13	-2.33%	4.10%
Mutual Funds	663.08	643.50	591.17	3.04%	12.16%
General Insurance	1918.81	1940.12	1927.02	-1.10%	-0.43%
Life Insurance	2159.70	2061.31	2194.70	4.77%	-1.59%
Telecommunication	4140.52	3643.16	3993.59	13.65%	3.68%
Pharmaceuticals	2677.90	2587.89	2492.51	3.48%	7.44%
Fuel & Power	1700.72	1644.13	1515.21	3.44%	12.24%
Cement	1514.50	1437.53	1132.29	5.35%	33.75%
Services & Real Estate	1065.38	1031.19	886.70	3.32%	20.15%
Engineering	2525.45	2314.77	2257.22	9.10%	11.88%
Food & Allied	13589.35	13530.98	12121.49	0.43%	12.11%
IT	2082.22	1995.05	1823.13	4.37%	14.21%
Textiles	1167.62	1108.05	1042.04	5.38%	12.05%
Paper & Printing	6299.67	5780.08	5233.20	8.99%	20.38%
Tannery	1963.75	1904.30	1826.45	3.12%	7.52%
Jute	10043.69	9270.25	11393.28	8.34%	-11.85%
Ceramics	485.11	474.56	459.10	2.22%	5.66%
Miscellaneous	1893.74	1837.90	1745.96	3.04%	8.46%

Table 7: Sector Trading Matrix

Sector Name	Daily average this Week	Daily average last week	% Change	% of Total Turnover	P/E	P/B
Banks	613.0	249.1	146.07%	6.95%	6.9x	0.8x
NBFIs	211.9	106.2	99.63%	2.40%	94.8x	2.3x
Mutual Funds	225.3	153.5	46.76%	2.56%	NM	0.5x
General Insurance	514.7	281.4	82.92%	5.84%	13.5x	1.2x
Life Insurance	236.2	61.2	286.16%	2.68%	NM	8.9x
Telecommunication	269.6	121.1	122.74%	3.06%	11.8x	8.6x
Pharmaceuticals	1,148.8	782.1	46.89%	13.03%	17.7x	2.3x
Fuel & Power	926.3	425.4	117.75%	10.51%	11.1x	2.0x
Cement	360.6	301.8	19.45%	4.09%	30.7x	2.8x
Services & Real Estate	146.8	83.4	76.03%	1.67%	63.7x	0.9x
Engineering	1,340.2	747.6	79.26%	15.20%	15.3x	1.5x
Food & Allied	397.6	166.1	139.44%	4.51%	24.4x	7.7x
IT	263.4	180.4	45.97%	2.99%	18.5x	2.7x
Textiles	1,218.7	716.4	70.13%	13.82%	NM	0.9x
Paper & Printing	93.6	45.0	107.88%	1.06%	312.8x	1.6x
Tannery	145.8	90.5	61.16%	1.65%	23.6x	2.1x
Jute	54.2	56.0	-3.19%	0.61%	NM	4.6x
Ceramics	129.3	72.7	77.84%	1.47%	30.1x	1.8x
Miscellaneous	519.5	312.9	66.06%	5.89%	20.9x	1.1x

Table 9: Least Appreciated YTD in BRAC EPL Universe

Top 10 Least Appreciated Stocks	Close	Δ% YTD	Mcap (mn BDT)	P/E
BRAC Bank	48.00	-15.94%	59,202.0	11.5x
Lankabangla Finance	16.80	-6.67%	8,621.4	15.2x
City Bank	19.80	-6.16%	20,124.5	7.8x
Singer Bangladesh	171.40	-4.99%	17,089.1	16.5x
Prime Bank	17.30	-4.95%	19,588.5	7.9x
Eastern Cables	189.70	-4.77%	4,552.8	NM
Dutch-Bangla Bank	68.80	-3.51%	34,400.0	7.0x
Padma Oil Co.	189.60	-1.35%	18,624.9	6.8x
IPDC	25.30	-1.17%	8,941.5	14.3x
Bank Asia Ltd.	18.00	-1.10%	20,986.3	8.4x

Important News: Business & Economy

Government may revise decision on post office savings interest rate

• The government would revise the recent decision of interest rate cut on post office savings schemes considering the concern of the marginalized and low-income people. The Finance Minister gave the information while talking to the reporters after chairing cabinet committee meeting on economic affairs. The government has recently slashed the interest rate on savings in post office by half to facilitate implementation of the single-digit interest rate in the banking sector. Post office officials said that the overall investment in the post office savings instruments might drop to one-third due the interest rate cut. The decision itself triggered huge criticism from depositors. Economists said it would severely affect the middle-class and pension holders.

<https://thefinancialexpress.com.bd/economy/bangladesh/govt-may-revise-decision-on-post-office-savings-interest-rate-1582119396>

<https://www.dhakatribune.com/bangladesh/dhaka/2020/02/19/kamal-govt-to-revisit-decision-about-rate-cut-of-postal-savings>

<https://www.thedailystar.net/business/news/govt-revisit-decision-about-rate-cut-postal-savings-finance-minister-1870288>

<https://www.newagebd.net/article/100046/govt-could-review-interest-cut-decision-says-kamal>

Government's insatiable appetite for bank funds

• Poor revenue collection has forced the government to exceed its annual borrowing limit from banking sources seven and half a months into the fiscal year, creating a probable credit crunch for the private sector. The government has set a borrowing limit of BDT 473.64 billion for fiscal 2019-20, but as of February 16 it has taken BDT 523.72 billion, which is a fresh record for a single year. Last fiscal year, the government borrowed BDT 264.46 billion from the banking sector.

• The government would not have needed to borrow so much from banks had it used the foreign loans efficiently for implementation of the annual development projects. Capital market could have been another source for the government from the perspective of its fund management, but the market has been going through a haphazard situation for months. Provisional data showed the National Board of Revenue (NBR) could log in BDT 1.25 trillion in the first seven months of the fiscal year, missing the target for the period by a whopping BDT 395 billion.

• The large volume of government borrowing will have an adverse impact on the private sector in the coming days as businesses will be unable to get their requisite funds from banks. At present, banks are not feeling the pinch as the demand for credit from the private sector is subdued. But banks will face severe liquidity crunch when businesses will start expanding their investment in a full-fledged manner. As of February 16, the government owes banks BDT 1.60 trillion, up 48.44% from June 30, 2019. Many banks are showing reluctance in giving out loans to the private sector as deposit growth has not increased as expected.

<https://www.thedailystar.net/business/news/govts-insatiable-appetite-bank-funds-1870537>

Steel makers feel the pinch of a subdued private sector

• All but one of the listed rod makers' profits dropped in the first half of the current financial year on the back of lower sales volume and higher deferred tax expense. Only SS Steel logged in higher profits, while BSRM Steels, Ratanpur Steel Re-rolling Mills and GPH Ispat saw their profits contract during the time. The demand for rod fell though the supply remains the same, which ultimately led to lower sales volume and shorter profit margin.

• BSRM's profits for the months of July and December last year crashed a staggering 78.71% year-on-year to BDT 168 million. The rod maker supplies to both the government and the private sector. BSRM made a provision for deferred tax expenses of BDT 114.8 million for the first half of the financial year 2019-20. A year earlier, it was BDT 17.3 million. At least BDT 500 per tonne has to be provided now as minimum tax when steel is imported. The value-added tax of BDT 1,100 per tonne must be paid too. Such a high tax regime ate into their profits and it will continue to fall. The impact was slightly less for newly listed SS Steel, whose earnings rose in the first half. SS Steel mostly sells to the government, so its earnings remain strong, according to analysts.

• In the coming years, rod makers will face a challenge because capacity of their production rose but the demand has not. So, demand will have to increase to overcome the challenge. Since the rod makers' raw materials come from China, the impact of coronavirus will be felt deeply in the days ahead.

<https://www.thedailystar.net/business/news/steel-makers-feel-the-pinch-subdued-private-sector-1870525>

Platform for interoperability in digital financial transactions by 2021

• The government yesterday approved a project which would make public a platform for interoperability in digital financial transactions, ensuring seamless transactions between payment systems alongside transparency and reducing transaction costs. To cost BDT 548.5 million, the "Interoperable Digital Transaction Platform Service" project will be up and running by February next year. A joint venture firm comprising Orion Informatics, Microsoft, Fintech and Sain Ventures won the procurement order and will start installing the platform from next month. The government will pay BDT 432.7 million to the joint venture and another BDT 116.8 million as value added tax.

<https://www.thedailystar.net/business/news/platform-interoperability-digital-financial-transactions-2021-1870516>

Least Developed Country (LDC) graduation to boost Bangladesh's creditworthiness

• Graduation into the developing country bracket in 2024 is likely to increase foreign assistance flows as it would enhance Bangladesh's creditworthiness. Bangladesh will enjoy various benefits, including an immense enhancement of the country's image before the global community. The private sector's contribution to the economy was almost 80% and they would be able to avail market loans at cheaper interest rates for higher credit ratings in addition to increased foreign direct investment. However, Bangladesh will face three problems: a reduction of scholarships, concessional loans and trade benefits.

• Disbursement of foreign assistance would increase to around USD 15-16 billion within the next 10 years. External debt repayment will reach USD 2.5 to USD 3 billion in fiscal 2024-

25, when some big foreign loans are scheduled to mature. The country is at a comfortable level as the debt-GDP ratio is still at only 14% and it would reach 20% once the big foreign loans mature within the next 10 years. The graduation might increase borrowing costs but it would still be lesser than what was offered by alternative sources.

<https://www.thedailystar.net/business/news/lcd-graduation-boost-bangladeshs-creditworthiness-1870519>

Banks' provision shortfall shrinks by 18% in the 4th quarter

• The shortfall in provisions against loans, mostly classified ones, in the banking system has narrowed by over 18% in the fourth quarter of 2019 on the back of lower growth in default loans. The overall shortfall came down to BDT 66.55 billion as on December 31 of the last calendar year from BDT 81.29 billion three months ago. However, the shortfall edged up by 0.61% year on year to BDT 66.55 billion in 2019 from BDT 66.15 billion a year earlier.

• The state-owned commercial banks (SoCBs) have faced more provisioning shortfall than their private counterparts. The situation regarding the provisioning shortfall in SoCBs may improve if they get regulatory forbearance from the BB. A total of 11 banks, out of 59, have failed to make the requisite provisions against NPLs mostly in the fourth quarter (Q4) from October to December of 2019.

<https://today.thefinancialexpress.com.bd/first-page/banks-provision-shortfall-shrinks-by-18pc-in-q4-1582046611>

<https://www.newagebd.net/article/99956/12-banks-suffer-BDT-10798cr-in-provision-shortfall>

Agent banking: the bright spot in lending landscape

• Agent banking, which takes banking services to the unbanked people, is going from strength to strength, with both deposit collection and loan disbursement on the rise. Lenders earlier kept their core focus on collecting deposits from clients through the new banking wing but they have given the same importance to loan disbursement and inward remittance. As of September last year, loan disbursement through the agent banking channel was BDT 4.46 billion, which is more than double that from a year earlier. At the same time, deposit collection went up 142% to BDT 75.17 billion, according to data from the central bank.

• Outlets of agent banking distributed BDT 155.34 billion in remittance last year, up a staggering 180% year-on-year. As of December last year, 21 banks combined have 5.3 million accounts, up 114% from a year earlier.

<https://www.thedailystar.net/business/news/agent-banking-the-bright-spot-lending-landscape-1870063>

<https://today.thefinancialexpress.com.bd/trade-market/agent-banking-accounts-double-in-a-year-1582049676>

Bangladesh's Islamic finance industry keeps booming

• Recent news that Bangladesh's central bank approved the conversion of two more local banks to fully-fledged Islamic banks warrants taking a closer look at the Shariah-compliant banking and finance industry in the world's fourth-most populous Muslim country. The

central bank of Bangladesh approved applications from two domestic banks, Standard Bank and NRB Global Bank, to become fully Islamic bank. The move brings the number of fully-fledged Islamic banks in Bangladesh to ten.

• At the end of the July-September 2019 quarter, total Shariah-compliant deposits at Bangladesh's banks reached USD 30.8bn, a 15% increase over the same quarter of the previous year. This is in line with the 15% to 20% annual growth of the industry over the past decades and brings the share of Islamic banking deposits close to 24% of the entire deposit volume of the country's banking market, while the share of loans and financing is even higher at close to 25%. Islamic banking now employs more than 36,000 people in Bangladesh.

• Bangladesh's Islamic banking sector has experienced robust growth due to policy supports and strong public demand. Recent issuance of sukuk rules by the Bangladesh Securities and Exchange Commission will promote Islamic capital markets badly needed for financing infrastructure and industrial projects towards achieving higher inclusive GDP growth and other sustainable development goals.

<https://thefinancialexpress.com.bd/views/reviews/bds-islamic-finance-industry-keeps-booming-1582034749>

Moody's sees minimal impact of China virus outbreak on Bangladesh growth

• Global rating agency Moody's Investors Service on Tuesday said that the impact of China's economic slowdown due to the coronavirus outbreak on Bangladesh economic growth would be minimal. Moody's in its latest report titled 'Sovereigns Asia Pacific: regional growth update following coronavirus outbreak' retained the gross domestic product growth projection for Bangladesh at 7.8 % for the current fiscal year 2019-2020. It showed that Bangladesh's economic growth would decline by very insignificantly, less than 0.1% age points, if the GDP growth of China fell by 1%age points due to the coronavirus outbreak.

• The main reason for insignificant impact on Bangladesh is lower exports from the country to China. Hong Kong would face the highest impact as its economy would shrink by more than 1.6%age points along with Taiwan, Singapore and Vietnam. But on the flip side, Moody's showed that supply chain disruption would have significant repercussions for intra-regional trade as Bangladesh imports more than 30% of its goods from China. Import from China has already witnessed a significant drop in recent days following the outbreak. Regional impact would be felt through trade and tourism, and for some sectors through supply-chain disruptions.

<https://www.newagebd.net/article/99960/moodys-sees-minimal-impact-of-china-virus-outbreak-on-bangladesh-growth>

'Made in Bangladesh' smartphones headed to US

• Walton is set to export smartphones to the US, in what can be viewed as a remarkable endorsement of the leaps taken by Bangladesh's manufacturing sector. The first consignment of the smartphones, which would be priced between USD 100 and USD 200, will be out of the gates of Walton Digi-Tech Industry's plant in Chandra, Gazipur in March 1. The smartphones are bound for a renowned American brand and Walton is the original equipment manufacturer.

• After the US it is planning to ship smartphones to Europe, Australia and other developed nations. So far, the plant has churned out 6 million units: 1.7 million smartphones and 4.3 million basic phones. Last year they sold 1.2 million smartphones and 4.2 million feature phones in the local market.

<https://www.thedailystar.net/business/news/made-bangladesh-smartphones-headed-us-1870069>

Government approves Mongla port modernization with Indian LoC

• The government would modernize the Mongla Sea Port with an Indian loan tagged on conditions of appointing contractors and buying goods from the loan providing country. The capacity enhancement of the country's second biggest seaport in Mongla was among nine projects approved by the Executive Committee of the National Economic Council.

• Of the cost, the government would take BDT 44.59 billion as loan from the Indian Line of Credits and the rest of BDT 15.55 billion would be provided through own resource. Projects taken under the LoCs made it mandatory to buy certain amount of goods from India and appointment of contractors too.

• The main project operations include construction of container terminals with all facilities at Jetty Number 1 and 2 of the port, construction of container handling yard and container delivery yard with all facilities, construction of service vessel jetty, shed and office, extension of port building, construction of MPA tower, port residential complex with community facilities, mechanical workshop, equipment yard, and marine workshop complex.

<https://www.newagebd.net/article/100008/govt-approves-mongla-port-modernisation-with-indian-loc>

<https://thefinancialexpress.com.bd/national/ecnec-approves-project-to-enhance-mongla-ports-capacity-1582024538>

NPLs down by BDT 219.57 billion in 3 months

• Defaulted loans crept up last year despite the government's attempts to subdue them. A record BDT 501.86 billion was rescheduled last year, often by breaching banking norms, and yet defaulted loans hit BDT 943.13 billion at the end of 2019, up 0.42% year-on-year, according to data from the Bangladesh Bank.

• Defaulted loans, however, decreased last year in proportion to total outstanding loans: it stood at 9.32%, down from 10.30% at the close of 2018. Of the sum regularized in 2019, BDT 185.84 billion was done under the central bank's relaxed loan rescheduling policy that was announced on May 16 last year. The policy allowed defaulters to reschedule their classified loans with a down payment of just 2% of the outstanding amount instead of the existing 10-50%. The banks recovered only BDT 4.79 billion as down payment from the loans rescheduled under the relaxed policy.

• BB data showed more than 50% of the defaulted loans were with the eight state-run banks. As of December, the eight banks had BDT 480.57 billion of defaulted loans, down 10.14% year-on-year. The 41 private banks together had defaulted loans amounting to BDT 441.74 billion, up 16% from a year earlier.

<https://www.thedailystar.net/frontpage/news/defaulted-loans-still-going-1869460>

<https://thefinancialexpress.com.bd/trade/troubled-loans-slump-in-q4-1581998346>

Government extends tenure of Fazle Kabir as Bangladesh Bank governor

• The government has extended the tenure of Bangladesh Bank (BB) Governor Dr Fazle Kabir for three months, according to a circular of the Public Administration Ministry issued on Sunday. As per the circular, the government approved the contractual appointment of the governor until he reaches the age limit for retirement at 65.

• Fazle Kabir started his professional career in 1980 in the Railway Transportation and Commercial cadre of Bangladesh Civil Service. In 1983, he joined the BCS Administration cadre. During his 34 years of civil service, Kabir held various key positions in different ministries and also in the field administration.

<https://www.today.thefinancialexpress.com.bd/last-page/govt-extends-tenure-of-fazle-kabir-as-bb-governor-1581961892>

Soaring post office deposits to come crashing down

• Savings accounts in post offices saw soaring deposits in recent years thanks to high interest rates offered by the government to tempt people in the suburbs and rural areas to use formal channels for parking their funds. Deposits in ordinary accounts in post offices more than doubled to BDT 29.30 billion in fiscal 2018-19 from BDT 13.25 billion four years earlier, according to data from the Department of National Savings (DNS). A similar trend has been seen in cases of fixed deposit accounts in post offices. Savers deposited BDT 139.50 billion in fiscal 2018-19 in fixed deposit accounts in post offices, which was more than two and half times the deposits received in fiscal 2014-15.

• Due to the government's crackdown over the last several years, there has been almost no presence of multi-level marketing (MLM) firms that used to offer exorbitantly high interest rates to attract deposits. The absence of these informal channels might be another reason behind people's interest in depositing money in post offices.

• However, the government's latest move to cut interest rates on savings in post offices has created frustration among savers and is likely to bring down savings and encourage the return of illegal MLMs. A former deputy governor of Bangladesh Bank said the latest move would discourage savings. The interest rate on banks' savings has been cut by force. Now, the interest rate on deposits in post offices has also been reduced. Such an action affecting the market mechanism will not bring any good to the economy, he said. The government's total outstanding liability stood at BDT 2.89 trillion as of June 2019. Of the amount, ordinary accounts and fixed deposit accounts in post offices were 13.97%, according to DNS data.

<https://www.thedailystar.net/business/news/soaring-post-office-deposits-come-crashing-down-1869106>

Interest rates of savings certificates not lowered

• The government has clarified that interest rates of different savings schemes with Post Office Savings Bank were lowered, not that of any savings certificate. The Ministry of Finance issued the clarification on Sunday. The interest rate on three-year fixed deposit with the Post Office Savings Bank was cut down to 6% from 11.28% on maturity. The interest rate for the first year and second year of the deposit was reduced to 5% and 5.5% from previous 10.20% and 10.70% respectively for encashing before the maturity. However,

the interest rates of government's savings certificates remain the same.

<https://thefinancialexpress.com.bd/economy/bangladesh/interest-rates-of-savings-certificates-not-lowered-1581865862>

Generalized System of Preferences (GSP) suspension to Cambodia may increase RMG export to European Union (EU)

- Cambodia's readymade garment (RMG) exporters are expecting that the suspension of the European GSP facility would lead to an increase in export orders for Bangladesh in the EU market. Buyers may shift their sourcing from Cambodia to other countries due to the rise in the prices of products manufactured in the Southeast Asian country because of payment of duties due to the suspension of the GSP facility. The European bloc generally provides the duty-free benefit to some least developed and developing countries under the 'Everything But Arms' deal to help boost trade and business.

- Bangladesh is the second largest exporter of RMG product to EU market with around \$21 billion of annual shipments as it gets GSP facility in the EU market. The GSP suspension would certainly put Cambodia's apparel industry in a challenging situation as they would now need to pay 9.0 to 12% duty on their exports to the EU. This benefits Bangladesh in the short term but in the longer term this would act as a significant signal for Bangladesh to prepare so that we can continue to have our market access either through extension of EBA negotiation or lobbying for the GSP Plus, for which the labor narrative will be a predominant factor.

<https://thefinancialexpress.com.bd/trade/gsp-suspension-to-cambodia-may-increase-rmg-export-to-eu-1581851868>

Bangladesh Bank spurns securities regulator's request

- The central bank has refused to grant the securities regulator the access to its database for scrutinizing the credit record of individuals or potential bond issuers. The Bangladesh Securities and Exchange Commission, or BSEC, sought the access as part of the government's efforts to develop the bond market and arrange long-term financing.

- The central bank has been providing the Commission with the credit record of possible bond issuers from time to time. Even more, the central bank declined to make available the list investors in bond, debenture and other types of debt instruments.

<https://www.today.thefinancialexpress.com.bd/first-page/bb-spurns-securities-regulators-request-1581873913>

Bangladesh Bank moves to deal with troubled banks

- The Bangladesh Bank has taken an initiative to deal with troubled and weak banks as the number of such banks has been increasing over the last one decade. The central bank in a draft bill seeking amendments to the Bank Company Act 1991 spelt out its plans for 'structuring', 'merger' or 'liquidation' of the bank companies in trouble. As per the bill, a permanent body would be established at the Bangladesh Bank to deal with such banks. Once problems in banks are exposed the permanent body, according to the draft, will be able to impose a 'moratorium' for six months with an extension of another six months. The body can approve a restructuring plan for a 'problem bank' for a maximum of one year or

the bank may face merger, acquisition or even liquidation.

- The central bank in the draft also recommended penalties for the officials and persons responsible for putting a bank into financial maladies or other problems. The penalties include fine, removal from posts, suspension, confiscation of shares and closure of bank accounts, according to the draft, now kept open by the Financial Institutions Division for public opinions. The proposals for amending the 1991 act would be placed before the cabinet soon and it would be up to the cabinet whether or not to accept the proposals.

- The government has meanwhile dished out an opportunity to banks to reschedule their bad loans at two% down payment since May although the move drew sharp criticisms from economists as an 'artificial arrangement' to contain the bad loans that soared to BDT 1.12 trillion or 11.69% of the BDT 6.92 trillion total loan extended by the banks until September 2019.

<https://www.newagebd.net/article/99713/bangladesh-bank-moves-to-deal-with-troubled-banks>

Asian Development Bank (ADB) provides additional USD 170 million for capital market reform

- The Asian Development Bank (ADB) has approved a second tranche loan of USD 170 million to conclude the Third Capital Market Development programme in Bangladesh. ADB approved the programme totaling USD 250 million in November 2015 with a first tranche USD 80 million loan to support vital capital market reforms accompanied by a technical assistance grant of USD 700,000, out of which USD 300,000 was financed by the government of the Republic of Korea's e-Asia and Knowledge Partnership Fund, to assist in the implementation of the reform actions.

- ADB has been actively supporting the government's current capital market reform agenda since 2012 when the Second Capital Market Development programme was approved. This aimed to rebuild market confidence after stock market turbulence in December 2010 and put the capital market back onto a sustainable development path.

<https://thefinancialexpress.com.bd/economy/adb-provides-additional-170m-for-capital-market-reform-1581762403>

Interest rate cap: Private banks' apathy could slow execution, says Fitch

- Global ratings agency Fitch warns the execution of an interest rate cap will pose "severe" downside risks to Bangladesh's financial stability. The report titled "Industry Forecast-Interest Rate Caps Pose Severe Downside Risk to Bangladesh's Financial Stability" was published on Wednesday. It said the persistent pushback from private commercial banks over more than a year points towards an inability of the authorities to enforce the regulation. This suggests that the implementation of 9.0% lending interest rate cap is likely to remain slow, fearing about the delay beyond April, it added. The ratings agency's views came as both the government and top bankers had agreed to bring down both lending and deposit rates to a single-digit from April 01.

- The Fitch also said capping interest rates would restrain the ability of banks to adequately price in such risks, amid poor lending practices and a weak bad loan recovery framework in the country. The Fitch feels that the government is likely to step in to spearhead higher loan growth to attain its ambitious economic growth targets, which would once again put the industry on course for a continued surge in troubled loans.

<https://thefinancialexpress.com.bd/economy/interest-rate-cap-private-banks-apaty-could-slow-execution-says-fitch-1581653419>

Rate cut of post office savings tool: Bad days ahead for small savers

• To implement single-digit interest rate in the country's banking sector, the government on Thursday lowered interest on three-year fixed deposit to 6% from 11.28% on maturity. Meanwhile, the rate for the first year and second year of the deposit has been set at 5% and 5.5% from previous 10.20% and 10.70% respectively. Slashing interest rate on savings in post office by half will make the lives of pensioners difficult as it has cut their earnings from the savings.

• The reduced interest rate would not apply to other savings certificates. The investor may collect the profit every six months, for which they will get 4% in the first year, 4.50% in the second year and 5% in the third year. Previously, this was 9%, 9.50% and 10% in the first, second and third years respectively. Tax at source on saving certificates this year has also gone up from 5% to 10%. This tax has also been imposed on fixed deposit bank accounts. For those with no TIN, the rate is 15%.

<https://www.dhakatribune.com/business/2020/02/15/rate-cut-of-post-office-savings-tool-bad-days-ahead-for-small-savers>

<https://www.newagebd.net/article/99515/bangladesh-halves-post-office-savings-interest-rate>

Bank deposits now largely fetching 6% interest

• On January 28, the Association of Bankers, Bangladesh (ABB), a forum of managing directors of banks, took the decision to provide not more than 6% for FDRs from February 1. The Daily Star has collected the FDR data of 29 banks and found seven - Mercantile, Southeast, Trust, AB, IFIC, Premier and National -- are yet to bring down their interest rate to 6%. The seven banks, however, have already taken measures to lower the interest rate on their FDRs though.

• To facilitate banks to charge 9% for loans from April, the finance ministry on January 20 instructed the autonomous, semi-autonomous and government companies to keep half of their surplus funds at 6% interest rate with private lenders. The remaining half of their deposits will go to state banks, which can offer no more than 6% interest. The private banks would get government funds in line with their paid-up capital.

<https://www.thedailystar.net/business/news/bank-deposits-now-largely-fetching-6pc-interest-1867708>

Bangladesh RMG exporters expect order shift from Cambodia

• The country's readymade garment exporters are expecting that the suspension of the European GSP facility to Cambodia would lead to an increase in export orders for Bangladesh in the EU market. They said that there were similarities between the RMG products produced in Cambodia and Bangladesh for export to the EU market.

• Buyers may shift their sourcing from Cambodia to other countries due to the rise in the prices of products manufactured in the Southeast Asian country because of payment of

duties due to the suspension of the GSP facility.

• The EU on Wednesday partly suspended the Generalized Scheme of Preference facility to Cambodia due to the violation of human and labor rights. EU imported apparels worth USD 4.33 billion from Cambodia in 2018 while its total apparel exports to the world in the year stood at USD 7.83 billion.

<https://www.newagebd.net/article/99670/bangladesh-rmg-exporters-expect-order-shift-from-cambodia>

Merchant bankers seek fiscal incentives to revamp stock market

• Merchant bankers on Saturday suggested offering special fiscal incentives, including tax and VAT waivers, to help woo large and renowned companies to the stock market. They felt since mobilization of funds from banks were easier than stock market, businesses tend to avoid going public. Leaders of Bangladesh Merchant Bankers Association (BMBA) said these while placing an eight-point recommendation. The recommendations include increasing the supply of good shares and ensuring strong coordination among stakeholders. The recommended measures also include listing of profitable government and multinational companies for IPO, necessary steps for investment education, strong coordination among policymakers and stakeholders, updating necessary legal frameworks, protecting interest of foreign investors and expansion of capital market by enlisting good companies.

<https://today.thefinancialexpress.com.bd/first-page/merchant-bankers-seek-fiscal-incentives-to-revamp-stock-mkt-1581786080>

United Kingdom's upcoming tariff policy after Brexit: Bangladesh could lose out to rich nations

• Bangladesh's exports to the United Kingdom are set to face stiff competition as Britain is preparing for its new tariff policy after leaving the European Union. The tariff policy will come into force in January next, bringing duties of the products of many developed countries on par with developing nations, which can erode the competitive advantage Bangladesh now enjoys.

• The UK, which left the EU in January, is developing a new most favored nation, MFN, tariff schedule, replacing the regional grouping's common tariff policy. But the new tariff will not be applicable to goods coming from developing countries like Bangladesh, which are beneficiaries of the generalized system of preferences, or GSP. Under the GSP, Bangladeshi goods continued to enjoy duty-free market access there. To simplify the UK's tariff, the British government is considering removing the "nuisance tariffs," which are as low as 2.5%.

• Analysts agree that lowering tariff means Bangladesh will face competition from the developed world exporters. Research director of the Centre for Policy Dialogue, or CPD, said the UK is trying to prepare a unique tariff structure compared with the EU, thus making it liberal and further opening up its market. Britain has lived up to its promise and kept the GSP facility for the poorer countries, he said.

<https://today.thefinancialexpress.com.bd/public/first-page/bd-could-lose-out-to-rich-nations-1581701613>

Foreign Direct Investment (FDI) flow far lower than pledged in three years

- Investment in Bangladesh by overseas firms was far below their initial pledges in the past three consecutive years through 2018. Such a picture was painted in a written speech by a minister in charge of the Prime Minister's Office in parliament. He said foreign firms' business strategy, local market and fluctuation of foreign exchange rates are believed to be the main reasons behind such poor actual foreign direct investment (FDI) here.
- The actual FDI figure in 2018 was USD 3.6 billion, down by USD 1.57 billion than what they pledged. In 2017, the real FDI inflow dropped to USD 2.2 billion from USD 10.3 billion pledged. There was an even sharper drop in the size of investment in 2016 by foreign firms. In 2016, foreign firms pledged to invest here USD 11.3 billion. But actually they invested only USD 2.3 billion during the period under review. In calendar years 2014 and 2015, the amounts were much higher than the proposed sizes of investment.

<https://today.thefinancialexpress.com.bd/public/last-page/fdi-flow-far-lower-than-pledged-in-three-years-1581617094>

International incoming call rate slashed 66%

- The government has slashed the international incoming voice call rate by 65.71% to USD 0.006 per minute in the face of shrinking earnings from the sector in recent years. The decision, which was taken last Thursday, comes following requests from the International Gateway (IGW) operators to help them cope with the growing threat of internet-based communication services. A significant portion of international calls are now made through internet-based communication platforms such as WhatsApp, Viber, Messenger, Skype, IMO and WeChat, which cost nothing other than the price of data. IGW operators are responsible for all international voice call termination going in or out of Bangladesh. Legal voice calls have currently gone down to about 20 million minutes a day, which was some 100 million minutes a few years back. Apps like WhatsApp, Viber, Imo, Skype, WeChat and Messenger are taking over local calls too, said the Telecom Minister.
- The government considered this move for two other reasons as well: to help save the IGW industry and control the illegal termination rate. International call termination was one of the government's main sources of revenue just five years ago. However, earnings from the sector has shrunk substantially in recent years. In fiscal 2014-15, the government's earnings from international calls was BDT 20.76 billion, which declined to BDT 13.87 billion, BDT 9.68 billion, BDT 9 billion and just a few billion in successive years, according to BTRC officials.

<https://www.thedailystar.net/business/telecom/news/intl-incoming-call-rate-slashed-66pc-1868662>

Government asks handset businesses to discourage feature phone use

- The government has instructed the country's mobile phone manufacturers, assemblers and importers to discourage the use of the second generation (2G) mobile phone technology-enabled feature phones. The government move came despite the fact that around 70% of the country's mobile phone users are still using 2G technology dependent feature phones and the rest 30% are using the third generation (3G) and the fourth generation (4G) technology-supported smartphones.
- In October last year, the Bangladesh Telecommunication Regulatory Commission

announced that the 5G service would be launched within the year 2021. Meanwhile, the telecom regulator has formed a committee on framing rules and regulations to facilitate the 5G launch. With a view to supporting the government plan to launch 5G within the year 2021, the telecom ministry and the BTRC have been pressing the mobile phone importers, assemblers and manufacturers to promote the use of 4G- and 5G-enabled smartphones instead of 2G-enabled feature phones.

- At the time of the launch of the 4G service by the government in 2018, the mobile phone operators were reluctant to launch the 4G service initially making an excuse that they were yet to get returns against their investments for the 3G network expansion but finally launched the service following pressure from the government. Now, the telecom operators are reluctant to launch the 5G service as only 27.1 million or 16.37% out of 165.5 million mobile phone subscribers availed the 4G service in two years of the service launch, leaving the telecom operators' projected profits unattained.

<https://www.newagebd.net/article/99561/govt-asks-handset-businesses-to-discourage-feature-phone-use>

Foreign investors scurry off from DSE

- Foreign stock investors are retreating from Bangladesh's capital market as the bear run in the bourse is chipping away their portfolio value. So low have their holdings been in the last few months that the Dhaka Stock Exchange decided not to provide breakdown of their net investment going forward.
- In the past two months, their net investment in the capital market have been in the negative: BDT 1.1 billion in December last year and BDT 1.29 billion in January this year. The protracted tussle between Grameenphone, the stock of choice of foreign investors, and the telecom regulator has dented their confidence in the Bangladesh market. On the other hand, a sudden decision change of the Bangladesh Securities and Exchange Commission to extend tenure of closed-end mutual funds also impacted their investment.

<https://www.thedailystar.net/business/news/foreign-investors-scurry-dse-1867672>

RMG accessories, packaging sector: BDT 15 billion losses feared if coronavirus persists

- Bangladeshi garment accessories and packaging manufacturers fear losses worth BDT 15 billion if coronavirus impact prolongs for six months as in that case it will create shortage of raw materials for the sector hindering production. Slump in production, along with workers' wages and charges for utility services as well as business losses, will cause the losses.
- About 50% raw materials are sourced from China, so the sector people urge the government to search for alternatives. The platform also called for taking steps to expedite the delivery of imported goods when import-export with China would resume after the Chinese New Year holidays extended to February 21.

<https://www.dhakatribune.com/business/2020/02/15/rmg-accessories-packaging-sector-BDT1-500cr-losses-feared-if-coronavirus-persists>

Bangladesh Telecommunication Regulatory Commission (BTRC) refuses to take BDT 1 billion from GP

- Mobile company Grameenphone (GP) said the Bangladesh Telecommunication Regulatory Commission (BTRC) refused to accept BDT 1.0 billion, which the operator offered to the regulator on Wednesday as a positive gesture to engage in a dialogue to resolve audit dispute. This BDT 1.0 billion has nothing to do with the pending court process, but it is for continuing dialogue next to judicial process, GP Director and Head of Regulatory Affairs said at a press conference. He said they went to the telecom regulator on Wednesday, and offered BDT 1.0 billion, as the BTRC officials were saying that "give something" to begin dialogue. However, the BTRC Senior Assistant Director said the regulator cannot accept any amount of money from the operator, as a court proceeding is pending in this regard.

- Earlier, GP wanted to pay BDT 5.75 billion or 25% of the BTRC's principal audit claim of BDT 23 billion in 12 instalments. On January 27, the operator expressed its willingness to pay the amount in a review petition, filed with the Appellate Division, seeking its necessary direction. Its hearing is likely to take place today (Thursday). On November 24 last year, the Appellate Division ordered the country's largest cell-phone firm to pay BDT 20 billion to the commission, out of the disputed claim of BDT 125.80 billion, within next three months. The three-month period will end on February 24.

<https://today.thefinancialexpress.com.bd/first-page/btrc-refuses-to-take-BDT-1b-from-gp-1582134066>

<https://www.thedailystar.net/business/news/critical-day-grameenphone-1870540>

<https://www.newagebd.net/article/100045/gp-offers-BDT-100cr-to-continue-talks-btrc-rejects>

<https://www.dhakatribune.com/business/2020/02/19/btrc-declines-to-accept-BDT100-crore-from-gp>

No end to GP and National Board of Revenue's (NBR) disputes

- Grameenphone has been refraining from paying value-added tax (VAT) on rentals of Bangladesh Railways' (BR) optical fibre since March 2018 as it is not being furnished with invoice by the revenue administration as stipulated by the laws. The amount of unpaid VAT by Grameenphone is BDT 200 million and the due amount is only increasing over time, according to a letter from BR to the National Board of Revenue in October last year. In response, the NBR asked its field office -- Large Taxpayers Unit (LTU)-VAT - to take action as per law.

- The country's largest operator has taken a 20-year lease of the railway's optical fibre in 1997; the lease was extended for another ten years to September 2027. Based on the contract, Grameenphone had been paying Guaranteed Annual Rentals (GARs) to BR in every quarter including VAT on the amount. And the BR had been issuing a certificate to the mobile phone operator in line with a 1997 order of the NBR. The system had been in effect until December 2017, according to BR. But Grameenphone stopped paying VAT from March 2018 on the ground of non-issuance of invoice, officially termed as Mushak-11 or Mushak-6.3, the BR said in its letter to NBR seeking required action. Grameenphone gave several reminders to the BR for valid invoice, which it is entitled to as a service recipient, to enable payment of VAT on GAR, said the operator's head of external communications.

<https://www.thedailystar.net/business/news/no-end-gp-and-nbrs-disputes-1870066>

Bangladesh Securities and Exchange Commission approves Express Insurance Initial Public Offering (IPO)

- The Bangladesh Securities and Exchange Commission on Tuesday approved the Express Insurance Limited's proposal to raise BDT 260.7 million from the capital market through an initial public offering on condition that it would invest at least 20% of the IPO proceed in the capital market. The commission has exempted the company from complying with rules regarding minimum offer size of BDT 300 million in the public issue rules. The company will float 26.0 million shares at an issue price of BDT 10 each to raise BDT 260.7 million. According to the financial statement ended on December 31, 2018, the company's net asset value (NAV) per share stood at BDT 16.65, while the weighted average of earnings per share (EPS) was BDT 1.42.

<https://www.newagebd.net/article/99962/bsec-okays-BDT-26cr-ipo-of-express-insurance-waives-rules>

<https://www.dhakatribune.com/business/2020/02/19/bsec-approves-express-insurance-ipo>

Important News: Capital Market

Square Pharma to set up subsidiary worth BDT 3.50 billion

- Square Pharmaceuticals decided to establish a subsidiary company named - Square Lifesciences Ltd- to manufacture pharmaceuticals oral solid dosage products. Initial estimated total project cost will be BDT 3.50 billion to be financed by internally generated funds by the Square Pharmaceuticals and sponsors of Square Lifesciences Ltd. The company is expected that the project would be completed by June 2023.

<https://today.thefinancialexpress.com.bd/stock-corporate/square-pharma-to-set-up-subsiary-worth-BDT-350b-1581962215>

Grameenphone to run out of SIM cards soon: CEO of GP

- Grameenphone chief executive officer said that the operator feared that it would run out of SIM cards soon as the Bangladesh Telecommunication Regulatory Commission refrained from approving new number block to GP. The operator needs 50,000 new SIM cards per day to meet market demand, he said, adding that the existing customers of the operator would not face any problem due to the reason.

- The telecom regulator also denied the operator permission to recycle its existing 3 million SIMs, thus resulting in a SIM card shortage. The CEO of GP said that the operator had engaged in discussion with the regulator to end the ongoing regulatory embargo it had been facing for the last several months.

<https://www.newagebd.net/article/99806/gp-to-run-out-of-sim-cards-soon-yasir>

bKash gets Bangladesh Bank nod for instant remittance receipt from Malaysia

- The Bangladesh Bank has given the primary nod to leading mobile financial service operator bKash to launch a service that would facilitate instant remittance of money into the country from Malaysia through a wallet-to-wallet payment system.

- Once the service is launched, it would be possible for Bangladeshi immigrants living in Malaysia to send money to any bKash account using the mobile wallet service of Malaysia-based financial service provider Valyou. The country received USD 1.2 billion in remittance from Malaysia out of its total USD 16.42 billion remittance inflow in the fiscal year 2018-2019.

<https://www.newagebd.net/article/99503/bkash-gets-bangladesh-bank-nod-for-instant-remittance-receipt-from-malaysia>