

Capital Market Overview

The market closed in red this week. The benchmark index DSEX (-2.69%) lost 141.07 points and closed the week at 5,095.78 points. The blue-chip index DS30 (-2.70%) lost 49.96 points and stood at 1,800.06 points. The shariah based index DSES (-1.94%) lost 23.40 points and stood at 1,183.44 points. DSEX, DS30 and DSES all posted negative YTD return of -5.38%, -4.29% and -4.01% respectively.

Total Turnover During The Week (DSE): BDT 22.4 billion (USD 269.9 million)
Average Daily Turnover Value (ADTV): BDT 4.5 billion ($\Delta\%$ Week: -2.6%)

Daily Index Movement during the Week:

The market performed five sessions during this week. Market opened this week with a negative movement of 0.25% in the first session and continued to be negative in the second session by -1.11%. Market turned around in the third session by +0.25%. Market turned negative in the fourth session by -0.75% and ended with a negative movement of 0.86% in the fifth session.

Sectoral Performance:

- The financial sectors showed negative performance during this week except Life Insurance (+0.60%). General Insurance experienced the highest loss of 5.87% followed by Mutual Funds (-5.53%), Banks (-3.46%), and NBFIs (-3.44%).
- The non-financial sectors posted negative performance during this week except Pharmaceuticals (+0.73%). Engineering experienced the highest loss of 3.00% followed by Power (-2.99%), Telecommunication (-2.66%), and Food & Allied (-0.73%).

Macroeconomic arena:

- In the period from July 1 to August 20 of the current fiscal year, the government's borrowing from the banking system reached BDT 262.49 billion against BDT 268.86 billion it borrowed in the entire last fiscal year. Persistent slow rate of tax collection observed in the last fiscal year might be the main reason for the high volume of the government's bank borrowing.
- The board of directors of Bangladesh Bank has endorsed a policy on extending time for loan repayment for the 11 large borrowers who got loan rescheduling facility in 2015. The central bank's board on Tuesday at a meeting, which was presided over by BB governor, gave the green light to the loan repayment time extension up to 12 years.
- The International Monetary Fund (IMF) has projected Bangladesh's economic growth to be 7.6% this fiscal year, which is 0.6% points lower than the government's projection of 8.2%. Yet, the growth rate projected for Bangladesh is the highest in the South Asia region.
- The World Bank (WB) will provide USD 185 million to Bangladesh to add up to 310 Megawatt (MW) in renewable energy generation capacity and mobilize private sector participation to meet the growing demand for electricity in the country, reports BSS. The USD 185 million credit also includes a USD 26.38 million loan and a USD 2.87 million grant from the Strategic Climate Fund (SCF) of the World Bank's Climate Investment Funds (CIFs).
- The Executive Committee of the National Economic Council (Ecne) on Tuesday approved 12 projects, including a sewerage treatment plant in the city's Uttara area, involving a total estimated cost of BDT 54.94 billion. Today's ECNEC meeting approved 12 projects involving the total cost of BDT 54.94 billion. Of the cost, BDT 54.16 billion will come from government funds, while the remaining 780 million as project assistance.

Stock Market arena:

- Dr. Ahsan H. Mansur, Independent Director of the BRAC Bank Limited (BBL) Board and an eminent economist of the country, has been elected as the new Chairperson of BBL's Board. He is succeeding Sir Fazle Hasan Abed KCMG, the Founder Chairperson of BRAC Bank. Sir Fazle is retiring from his role as both Chairperson and Member of the Bank's Board of Directors.
- The telecom regulator has started the process of scrapping the licenses of the country's two biggest telecom operators -- Grameenphone and Robi, allegedly, for not paying dues to the national exchequer. The Bangladesh Telecommunication Regulatory Commission (BTRC) will serve show cause notices on the two operators and both of the operators may be given 30 days to respond to the notices.
- A joint venture of Trust Bank and Malaysia's Axiata Group is set to roll out a new kind of mobile financial service in Bangladesh after it received a no-objection certificate from the central bank yesterday. The joint venture is planning to promote wallet-based services, which will ultimately help expedite financial inclusion in the country, managing director of Trust Bank said.

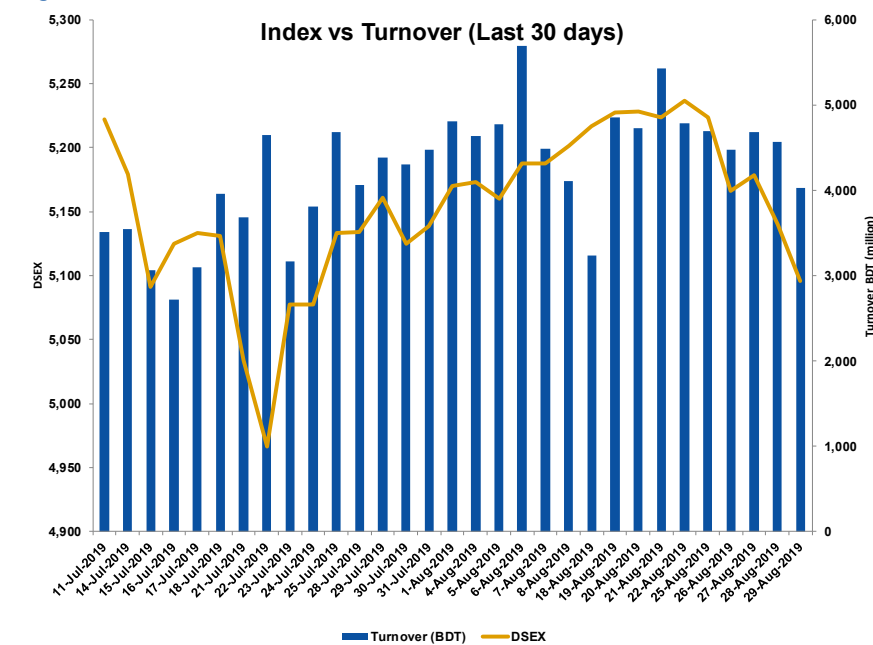
Table 1: Index

Index	Closing	Opening	Δ (Pts)	27-Dec-2018	$\Delta\%$ Week	$\Delta\%$ YTD
DSEX	5,095.78	5,236.85	-141.07	5,385.64	-2.69%	-5.38%
DS30	1,800.06	1,850.01	-49.96	1,880.78	-2.70%	-4.29%
DSES	1,183.44	1,206.85	-23.40	1,232.82	-1.94%	-4.01%

Table 2: Market Statistics

		This Week	Last Week	%Change
Mcap	Mn BDT	19,190,245.3	19,413,062.0	-1.1%
	Mn USD	230,846.2	233,526.5	
Turnover	Mn BDT	22,435.4	23,034.7	-2.6%
	Mn USD	269.9	277.1	
Average Daily Turnover	Mn BDT	4,487.1	4,606.9	-2.6%
	Mn USD	54.0	55.4	
Volume	Mn Shares	630.0	670.0	-6.0%

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
Reckitt Benckiser	2,951.90	2,488.30	18.6%	13,947.7	121.31	37.6x	54.0x
Prime Finance First MF	16	13.70	18.2%	324.0	64.25	NM	1.4x
Wata Chemicals Limited	593.70	505.00	17.6%	7,040.2	423.54	37.2x	9.3x
Glaxo Smithkline	1,836.50	1,616.40	13.6%	22,123.3	89.95	NM	17.6x
Silco Pharmaceuticals Limited	35.10	31.20	12.5%	3,312.4	671.92	31.4x	0.0x
Standard Ceramic	413.10	370.90	11.4%	2,668.9	247.54	157.9x	32.5x
Pragati Life Insurance	157.00	142.00	10.6%	2,410.2	237.21	NM	15.7x
S. S. Steel Limited	31.60	29.20	8.2%	7,742.0	295.53	25.3x	1.9x
Genex Infosys Limited	63.30	59.00	7.3%	5,165.3	297.49	43.1x	4.4x
Monno Jute Staffers	1,512.90	1,419.20	6.6%	3,131.7	454.96	269.3x	127.7x

Table 4: Top Ten Losers

Company Name	Close	Open	Δ%	Mcap (mn BDT)	Vol (mn BDT)	P/E	P/B
Global Insurance Ltd.	24.10	33.80	-28.7%	930.8	250.22	51.5x	2.1x
VFS Thread Dyeing Limited	30.20	36.00	-16.1%	2,814.2	296.25	19.6x	1.7x
Tung Hai Knitting & Dyeing Limited	3.20	3.80	-15.8%	341.3	1.13	3.9x	0.3x
Generation Next Fashions Limited	4.30	5.10	-15.7%	2,128.4	47.17	4.9x	0.4x
Familytex (BD) Limited	3.30	3.90	-15.4%	1,168.7	27.23	NM	0.3x
ICB Islamic Bank	3.40	4.00	-15.0%	2,260.0	6.15	NM	NM
Coppertech Industries Limited	32.40	38.00	-14.7%	1,944.0	186.27	47.4x	2.7x
SEML FBLSL Growth Fund	19.40	22.60	-14.2%	1,415.1	55.29	NM	1.9x
BIFC	3.10	3.60	-13.9%	312.1	.24	NM	NM
Appollo Ispat Complex Limited	5.60	6.50	-13.8%	2,247.3	21.17	NM	0.3x

Table 5: Top Ten Most Traded Shares

Company Name	Close	Open	Δ%	Mcap (mn BDT)	Vol (mn BDT)	P/E	P/B
United Power Generation & Distribution Company Ltd	395.10	410.80	-3.8%	189,287.3	995.88	25.5x	13.3x
Silco Pharmaceuticals Limited	35.10	31.20	12.5%	3,312.4	671.92	31.4x	0.0x
Monno Ceramic	214.80	215.70	-0.4%	7,015.7	542.00	32.7x	3.1x
Beacon Pharmaceuticals Limited	25.40	24.60	3.3%	5,867.4	499.25	33.5x	2.0x
Orion Infusion	63.10	71.00	-11.1%	1,284.7	491.08	31.3x	5.3x
JMI Syringes & Medical Devices Ltd	483.80	495.70	-2.4%	5,321.8	456.82	63.8x	6.8x
Monno Jute Staffers	1,512.90	1,419.20	6.6%	3,131.7	454.96	269.3x	127.7x
Bangladesh Shipping Corporation	50.80	55.40	-8.3%	7,748.8	450.07	50.1x	0.4x
Wata Chemicals Limited	593.70	505.00	17.6%	7,040.2	423.54	37.2x	9.3x
Fortune Shoes Limited	38.40	41.40	-7.2%	4,797.5	384.23	19.7x	2.8x

Table 8: Most Appreciated YTD in BRAC EPL Universe

Top 10 Most Appreciated Stocks	Close	Δ% YTD	Mcap (mn BDT)	P/E
Marico Bangladesh Limited	1,841.90	53.47%	58,019.9	30.6x
Pragati Insurance	37.10	42.28%	2,433.4	11.6x
Glaxo Smithkline	1,836.50	26.64%	22,123.3	NM
Singer Bangladesh	209.40	23.07%	20,877.8	23.1x
Power Grid Co. of Bangladesh Ltd.	58.50	21.88%	26,963.4	8.3x
Berger Paints	1,573.70	17.08%	72,984.9	38.5x
Pioneer Insurance	34.00	16.84%	2,379.3	8.4x
Dutch-Bangla Bank	66.10	14.44%	33,050.0	8.2x
Eastern Housing	52.50	12.66%	4,900.6	14.8x
Linde Bangladesh Limited	1,330.10	10.99%	20,241.8	19.9x

Table 6: Sector Indices

Sector Name	Week Close	Week Open	Year Open	%Δ Week	%Δ YTD
Banks	1375.00	1424.28	1428.63	-3.46%	-3.75%
NBFIs	1743.73	1805.78	2087.55	-3.44%	-16.47%
Mutual Funds	635.60	672.81	644.52	-5.53%	-1.38%
General Insurance	1809.91	1922.75	1488.77	-5.87%	21.57%
Life Insurance	2198.08	2185.05	2251.96	0.60%	-2.39%
Telecommunication	4374.30	4493.67	5088.05	-2.66%	-14.03%
Pharmaceuticals	2855.41	2834.70	2698.49	0.73%	5.82%
Fuel & Power	1939.95	1999.79	1745.15	-2.99%	11.16%
Cement	1390.54	1441.02	1676.63	-3.50%	-17.06%
Services & Real Estate	997.64	1033.43	1017.99	-3.46%	-2.00%
Engineering	2966.89	3058.56	2933.11	-3.00%	1.15%
Food & Allied	15114.48	15226.06	15034.05	-0.73%	0.53%
IT	1871.77	1865.06	1545.46	0.36%	21.11%
Textiles	1275.89	1350.65	1461.18	-5.53%	-12.68%
Paper & Printing	6817.72	7159.71	9105.21	-4.78%	-25.12%
Tannery	2373.26	2397.51	2560.38	-1.01%	-7.31%
Jute	17855.80	17416.21	21417.92	2.52%	-16.63%
Ceramics	526.07	552.20	579.64	-4.73%	-9.24%
Miscellaneous	2088.61	2099.18	1943.42	-0.50%	7.47%

Table 7: Sector Trading Matrix

Sector Name	Daily average this week	Daily average last week	% Change	% of Total Turnover	P/E	P/B
Banks	211.2	210.4	0.38%	4.85%	8.3x	0.8x
NBFIs	80.8	86.0	-6.04%	1.86%	66.0x	1.7x
Mutual Funds	111.7	125.0	-10.63%	2.57%	NM	0.5x
General Insurance	246.9	338.0	-26.96%	5.67%	13.6x	1.2x
Life Insurance	91.5	100.3	-8.71%	2.10%	NM	9.1x
Telecommunication	80.7	85.9	-6.04%	1.85%	11.5x	9.1x
Pharmaceuticals	905.2	794.1	14.00%	20.79%	19.9x	2.6x
Fuel & Power	437.3	689.2	-36.55%	10.04%	12.8x	2.3x
Cement	31.1	43.2	-27.84%	0.72%	27.7x	2.6x
Services & Real Estate	84.1	71.1	18.21%	1.93%	NM	0.8x
Engineering	763.9	577.8	32.23%	17.55%	15.1x	1.8x
Food & Allied	157.7	163.3	-3.44%	3.62%	26.2x	8.8x
IT	144.5	86.6	66.86%	3.32%	23.4x	2.9x
Textiles	434.7	539.9	-19.49%	9.98%	16.8x	1.0x
Paper & Printing	21.9	17.2	27.70%	0.50%	21.5x	1.8x
Tannery	110.7	154.7	-28.45%	2.54%	19.8x	2.7x
Jute	17.0	12.0	41.90%	0.39%	NM	8.2x
Ceramics	167.2	160.6	4.08%	3.84%	20.3x	2.0x
Miscellaneous	255.5	289.1	-11.61%	5.87%	27.5x	1.2x

Table 9: Least Appreciated YTD in BRAC EPL Universe

Top 10 Least Appreciated Stocks	Close	Δ% YTD	Mcap (mn BDT)	P/E
International Leasing	6.10	-53.25%	1,353.0	3.3x
Heidelberg Cement	208.50	-37.71%	11,781.0	16.8x
IFAD Autos Limited	67.90	-37.36%	16,838.6	12.0x
United Airways (BD) Ltd.	2.00	-31.03%	1,656.2	NM
Aftab Automobiles Limited	32.10	-30.07%	3,073.0	16.1x
AB Bank Limited	8.70	-27.50%	6,595.7	1942.8x
IDLC Finance Ltd.	51.30	-26.40%	19,342.7	8.4x
Lankabangla Finance	17.30	-24.45%	8,878.0	9.2x
Prime Finance	7.50	-21.05%	2,046.9	NM
RAK Ceramics Limited	32.00	-17.95%	12,450.0	14.5x

Important News: Business & Economy

Government borrows BDT 262.49 billion from banking sector in 51 days

• In the period from July 1 to August 20 of the current fiscal year, the government's borrowing from the banking system reached BDT 262.49 billion against BDT 268.86 billion it borrowed in the entire last fiscal year. Officials of the finance ministry said that persistent slow rate of tax collection observed in the last fiscal year might be the main reason for the high volume of the government's bank borrowing. Besides the slow revenue collection, financing need to run mega development projects and the BDT 5.23 trillion fiscal budget also contributed to the surge in the government's bank borrowing.

• Of BDT 262.49 billion borrowed by the government in 51 days of FY20, Bangladesh Bank provided BDT 65.92 billion as advances and treasury bills. Besides, the government received BDT 196.56 billion from the scheduled banks against government securities and treasury bills, among others.

<http://www.newagebd.net/article/82839/government-borrows-BDT-26249cr-from-banking-sector-in-51-days>

Bangladesh Bank board endorses fresh rescheduling facility for large borrowers

• The board of directors of Bangladesh Bank has endorsed a policy on extending time for loan repayment for the 11 large borrowers who got loan rescheduling facility in 2015. The central bank's board on Tuesday at a meeting, which was presided over by BB governor, gave the green light to the loan repayment time extension up to 12 years.

• Bangladesh Bank sources said that the 11 entities which received loan rescheduling facility in 2015 would be granted extended time for repayment only for the demand loans. The timeframe for the term loans payment would remain unchanged at 6 years, they said. The repayment time extension facility, however, would only be applicable to the borrowers who have repaid instalments regularly, it said. The beneficiaries of loan rescheduling include BEXIMCO Group, AnonTex, SA Group, MR Group, Rising Steel and Keya Group. The entities received restructuring facility against a total of BDT 151.8 billion in loans in 2015.

<http://www.newagebd.net/article/82841/bangladesh-bank-board-endorses-fresh-rescheduling-facility-for-large-borrowers>

National Board of Revenue (NBR) cuts AIT on steel raw materials

• The National Board of Revenue (NBR) has slashed Advance Income Tax (AIT) on import of raw materials for local steel manufacturers by BDT 300 per tonne. The reduced rate will come into force from July 1 with a retrospective effect. However, ship-braking industry will not be entitled to enjoy the reduced tax benefit. In the budget for the current fiscal year, 2019-20, the NBR's Income Tax Wing fixed the AIT at BDT 800 per tonne, which is now reduced to BDT 500 per tonne.

• The decision came following pleas of the steel and steel products manufacturers on the ground of keeping their production cost low. Earlier, industry insiders claimed that prices of Mild Steel (MS) rod might go up due to imposition of higher taxes on import of raw materials for steel and steel products. Cost of real estate and construction sectors as well as the government's different development projects would escalate with the price hike of steel

products, they added. Currently, import of 15 types of raw materials for steel sector is entitled to enjoy a concessional rate of AIT. The raw materials are - semi-finished products (billet) of iron or non-alloy steel, ingots, ferrous products, ferrous waste and scrap, re-melting scrap, and vessels and other floating structures for breaking up..

<http://today.thefinancialexpress.com.bd/last-page/nbr-cuts-ait-on-steel-raw-materials-1567015271>

<http://www.newagebd.net/article/82840/ait-on-steel-raw-material-import-slashed>

Deal on USD 185 million World Bank assistance for renewable energy today

• The World Bank (WB) will provide USD 185 million to Bangladesh to add up to 310 Megawatt (MW) in renewable energy generation capacity and mobilize private sector participation to meet the growing demand for electricity in the country, reports BSS. The USD 185 million credit also includes a USD 26.38 million loan and a USD 2.87 million grant from the Strategic Climate Fund (SCF) of the World Bank's Climate Investment Funds (CIFs).

• The Economic Relations Division (ERD) official said the Scaling-up Renewable Energy Project will increase installed capacity of renewable through piloting and expanding investments in key market segments. It will build the first 50 MW phase of a large scale solar panel energy park in the Feni district, which will be implemented by the Electricity Generation Company of Bangladesh (EGCB). Currently, the share of the total installed renewable energy in grid supply is only 1.5% and has significant potential for scaling up. The project will help provide better access to cleaner electricity as well as air by avoiding burning fossil fuels. It will help cut emissions by 377,000 tonnes of carbon dioxide equivalent a year.

• World Bank Team Leader for the Scaling-up Renewable Energy Project said the power sector in Bangladesh has grown rapidly with maximum generation capacity increased from a little over 4,000 MW in 2009 to more than 20,000 MW in 2018.

<http://today.thefinancialexpress.com.bd/trade-market/deal-on-185m-wb-assistance-for-renewable-energy-today-1567009330>

Banks' H1 deposit growth up slightly

• The overall deposit growth in the country's banking sector rose but slightly in the first-half (H1) of the current calendar year following a higher remittance inflow. Lower sales of national savings certificates (NSCs) in the recent months also helped push up the volume of bank deposits during the period under review, bankers said. They expect that such an upward trend of deposits in the banking sector may continue into the coming months also. The growth of deposits, on a year-on-year basis, rose to 11.48% as of June 30 last from 11.07% six months ago, according to the central bank statistics. The deposit growth was 10.96% as of March 28, 2019. All banks' deposits, excluding inter-bank balance, rose to BDT 9,772.11 billion as of June 30 last, from BDT 9,246.36 billion as of December 31, 2018. The figure was BDT 9,365.63 billion as of March 28 last.

• Investment in the NSCs decreased slightly in the recent months following higher interest rate on deposits, offered by the banks, particularly private commercial banks, the chairman of the Association of Bankers, Bangladesh (ABB), said on Tuesday. Some private commercial banks (PCBs) are now offering double digit interest rates on deposits,

particularly term deposits, to attract depositors, according to the senior banker. He also said a higher remittance inflow along with disbursement of funds by the government against different development projects in June contributed to the increase in deposits of the banks.

<http://today.thefinancialexpress.com.bd/first-page/banks-h1-deposit-growth-up-slightly-1566926035>

Bad loans taking toll on banks' profit earning

- Profitability of the country's banks has declined by around 17% over the last 10 years, mainly due to growth in the volume of bad loans, according to a study report. The bulging non-performing loans again are hampering credit expansion, the report noted. The volume of bad loans and operating costs of banks have ballooned over the years, but the banks are not being able to address these problem by refixing their interest rates, the report mentioned. It has happened because of the pressure on the banks to keep their lending and deposit rates within 9.0% and 6.0% respectively, leading to the uncomfortable situation, it added.

- According to the report, return on equity (ROE) of the banks was estimated 21.7% in 2009, when their average lending rate and size of non-performing loans (NPLs) were 11.5% and 7.3% (of the total loan) respectively. The volume of bad loans increased to 10.3%, while the lending rate declined to 9.5% in 2018. As a result, ROE of the banks came down to only 4.0% in 2018, it also said.

- Presenting the research paper at the roundtable its lead author said the banks are facing the double whammy. The high volume of NPLs reduces the profitability. On the other hand, the banks ultimately pass the cost of bad loans on to the borrowers by increasing interest rates, which eventually reduces their credit growth.

<http://today.thefinancialexpress.com.bd/first-page/bad-loans-taking-toll-on-banks-profit-earning-1566925962>

International Monetary Fund skeptical about success of bad loan recovery by Asset Management Companies

- A visiting International Monetary Fund team on Tuesday expressed skepticism about success of the government move of appointing asset management companies for recovering bad loans in the country's banking sector. At a meeting with officials of the financial institutions division and Bangladesh Bank, it also observed that the recent loan restructuring policy with only two% down payment would hurt the honest borrowers and benefit the willful defaulters. Officials attending the meeting said the team also observed that short-term gain out of the current bad loan restructuring policy might aggravate the problem of the banking sector in the long run. The team pointed out at the meeting that asset management companies failed to recover bad loans in many countries, said the officials.

- The amount of defaulted loans in the country's banking sector rose by BDT 185.13 billion in the first half (January-June) of the current year with the inclusion of BDT 15.52 billion in the April-June period this year. According to BB data, classified loans in January-June period this year surged by 19.71% to reach BDT 1.12 trillion at the end of June from BDT 939.11 billion at the end of December, 2018.

<http://www.newagebd.net/article/82734/imf-sceptical-about-success-of-bad-loan-recovery->

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Bangladesh Bank profits soar to BDT 44.61 billion in FY19

- Bangladesh Bank's operating profits soared to BDT 44.61 billion in the financial year of 2018-19 from BDT 7.91 billion in the previous fiscal year due mainly to central bank's foreign exchange transactions in the local market and banks' heavy borrowing from the BB amid liquidity crisis in the country's banking sector. BB officials said that the central bank sold foreign exchange worth USD 2.34 billion to the local banks in FY19 because of huge demand for the forex for import payments. Besides, the central bank had a reserve worth USD 32 billion, which were invested in different treasuries like US treasury bonds and gold, they said. As a result, the BB made huge profits from forex transactions, reserve and rising value of gold on the international market.

- BB officials said the local banks also borrowed from the BB through repo and special repo amid liquidity shortage in the banks as they struggled to collect deposits. The BB got interest rate of 6% by lending money to the local banks, which helped its profits to rise.

<http://www.newagebd.net/article/82732/bangladesh-bank-profits-soar-to-BDT-4461cr-in-fy19>

Advanced Income Tax (AIT) exemption on capital machinery import to widen

- Capital machinery importers would soon be exempted from paying Advance Income Tax (AIT) on their imports on a larger scale. The National Board of Revenue (NBR) recently took a decision to this end on requests from the local manufacturing industries. The income tax wing of the NBR will shortly issue a Statutory Regulatory Order (SRO) to this effect. Now all importers of capital machinery in the manufacturing sector, except those doing it for commercial purpose, will enjoy the exemption of AIT on issuance of the SRO. In the budget for the current fiscal year of 2019-20, the income tax wing exempted only the capital machinery importers in the manufacturing sector from payment of the AIT at a rate of 5.0% as they were enjoying concessionary rates or exemption from payment of customs duty.

<http://today.thefinancialexpress.com.bd/first-page/ait-exemption-on-capital-machinery-import-to-widen-1566926092>

<http://www.newagebd.net/article/82736/ait-on-capital-machinery-import-to-be-withdrawn>

The Executive Committee of the National Economic Council (ECNEC) approves 12 development projects involving BDT 54.94 billion

- The Executive Committee of the National Economic Council (Ecneec) on Tuesday approved 12 projects, including a sewerage treatment plant in the city's Uttara area, involving a total estimated cost of BDT 54.94 billion, reports UNB. Today's ECNEC meeting approved 12 projects involving the total cost of BDT 54.94 billion. Of the cost, BDT 54.16 billion will come from government funds, while the remaining 780 million as project assistance, said the Planning Minister while briefing reporters after the meeting. Of the approved projects, seven are new and the remaining five are revised ones.

<http://today.thefinancialexpress.com.bd/trade-market/ecnec-approves-12-development-projects-involving-BDT-5494b-1566917135>

Chinese companies coming in droves

- Chinese investors are coming in thick and fast with at least 20 companies contacting the power sector alone every week, said the state minister for power, energy and mineral resources, yesterday. Over the past five to six years China gathered vast experience on cheap, clean and renewable energy, something Bangladesh has been transitioning into, for which their companies are exploring investment opportunities here, he said. Chinese investors are relocating their industrial and manufacturing units here mainly to address high production costs and shortages of skilled manpower, he told.
- Of the investment from China, over 80% has been made in Bangladesh's power sector, said the state minister for power, energy and mineral resources kept adding. The US-China trade war has also helped, turning Bangladesh into an investment destination for Chinese firms, one of the partners, Global China Business Network, PwC China said. Moreover, improved infrastructure, a wide consumer base and establishment of economic zones have created interest among Chinese investors, he added.
- CEO of Standard Chartered Bangladesh, said Bangladesh would require USD 3 trillion to become a developed country by 2041. It is possible to become such a big economy within the stipulated timeframe if the country can attract more foreign direct investment, he said. He also said that Bangladesh needed to invest more in infrastructure and improve the stock market as its current contribution to the economy was 18%. He also advised issuance of sovereign bonds.

<https://www.thedailystar.net/business/news/chinese-companies-coming-droves-1791727>
<https://www.dhakatribune.com/business/2019/08/28/chinese-companies-keen-to-invest-in-bangladesh>

Government's bank borrowing soars for mega projects

- In the wake of low revenue mobilization last fiscal year, the government has now turned to bank borrowing to meet its financing needs, Bangladesh Bank data shows. In the first 35 days of this fiscal year, the government has borrowed BDT 237.61 billion from the banking system, which is almost the same as last year's total bank borrowing and half of this year's target. The government borrowed BDT 264.46 billion last fiscal year, according to data from the central bank. This fiscal year, the government has set a borrowing target of BDT 473.64 billion from the banking sources.
- The government's borrowing from banking sources usually shoot up at the beginning of a fiscal year to adjust its higher expenditure in the last few months of the previous fiscal year. But this time the government's bank borrowing has increased significantly due to its implementation of mega infrastructural projects such as those of the Padma bridge and Dhaka metro rail, a central bank official said. The government also failed to mobilize revenue as expected in the last few months, which compelled it to borrow more from the banking sector. Total revenue mobilization last fiscal year was BDT 2.24 trillion against the target of BDT 2.80 trillion.
- Besides, a decreasing trend in sales of national savings certificates in recent months has pushed up the government's bank borrowing, the central bank official added. Net sales of national savings tools stood at BDT 32.08 billion in June, down from BDT 32.58 billion a month earlier. He also predicted that the government's borrowing from the banking system might continue in the days ahead, which will have an adverse impact on cash-strapped banks.

<http://today.thefinancialexpress.com.bd/first-page/no-more-feather-bedding-1566755152>
<https://www.thedailystar.net/business/news/no-more-handouts-state-banks-1790641>
<http://www.newagebd.net/article/82534/no-more-recapitalisation-fund-for-sobs-mustafa>

No more separate licenses for telecom companies

- The country's telecom regulator has moved to formulate a unified guideline for the country's mobile operators instead of separate licenses for 2G, 3G and 4G services. The Bangladesh Telecommunication Regulatory Commission (BTRC) has already formulated the draft guidelines titled "Regulatory and Licensing Guidelines for Establishing, Operating and Maintaining Cellular Mobile Services in Bangladesh." According to the draft guidelines, the key objective of these guidelines is to introduce technology-neutral spectrum. All the cellphone operators converted their spectrum into technology-neutral system accordingly. The country's mobile operators have long been demanding unified license for all telecom operators, Secretary of the Association of Mobile Telecom Operators of Bangladesh (AMTOB) said.
- Telecom operators will still have secure prior permission for launching any services beyond 4G, and operators will need to renew their spectrum licenses separately. They also remain subject to coverage requirements under the former LTE licenses. The BTRC expects the initial operating licenses will be valid until February 2033. The licenses will carry an annual fee of BDT 100 million plus a 5.5% share of annual gross revenue in addition to the spectrum fees. Operators must pay 1.0% of revenue to the Social Obligation Fund. The licensee will have to deposit BDT 1.5 billion as performance bank guarantee as a precondition for the license.

<http://today.thefinancialexpress.com.bd/first-page/no-more-separate-licences-for-telcos-1566842867>
<https://www.thedailystar.net/business/news/2g-3g-4g-services-be-under-one-licence-1791166>
<https://www.newagebd.net/article/82626/telcos-multiple-licences-to-be-replaced-with-one>

More incentives for leather exporters

- The government yesterday approved a new policy for the leather sector incorporating 17 types of incentives to boost the sector's export earnings to USD 5 billion by 2024. New incentives have been included to attract more investment from home and abroad for the second highest export earning sector, Cabinet Secretary told journalists after the meeting. Investors in the leather sector who will adopt green technology in factories will be provided with low-cost loans, he said. Even cash incentive will also be given if they set up environment-friendly industries, he added.

<https://www.thedailystar.net/business/news/more-incentives-leather-exporters-1791172>

Leather sector's woes not ending soon

- Absence of a fully functional central effluent treatment plant (CETP) and solid waste management at Savar Tannery Industrial Estate has been costing Bangladesh's leather and leather goods exporters heavily. Currently, Bangladeshi exporters do not have any choice but to sell their goods at rates 30% lower than the global prices for non-compliance, industry insiders said. Leather goods exporters do not get higher prices of their products

unless the Leather Working Group (LWG), the global compliance audit organization, certifies companies that they are compliant. Since Bangladesh can't comply with the conditions of the LWG, the local leather and leather goods exporters have to sell at much lower prices to buyers from China, who are not too fussed about compliance.

- Major global compliant brands stopped buying leather and leather goods from Bangladesh a few years ago because of their environmental pollution. So the government has shifted the tanneries from Hazaribagh to Savar. Earlier in 2012, the government had floated a tender for construction of a CETP and a Chinese company that won the bidding started the works in 2014 for completion by 2017. But the job is not done yet. The delay was because of a dispute between the Chinese company and local contractors, said the project director of the Savar Tannery Industrial Estate. The tanners also need to lower water consumption to get the LWG certification, he added. Currently, the factories consume 66 tonnes of water to tan a tonne of rawhide, whereas the international standard is 25 tonnes.
- Bangladesh produces nearly 400 million square feet of rawhide, of which the local leather and footwear companies consume 30 million square feet. Some leather goods and footwear companies import 2 million square feet high-quality leather to make exportable goods, according to industry insiders.

<https://www.thedailystar.net/business/news/leather-sectors-woes-not-ending-soon-1791220>

Default loans hit the brakes

- Default loans soared just BDT 15.51 billion in the second quarter of the year -- in contrast to a record BDT 166.92 billion in the previous quarter -- in the most heartening development for the banking sector battling a runaway trend in bad loans. At the end of June, the banking sector's total default loans stood at BDT 1124.25 billion, up 1.40% from the preceding three months, according to data from the Bangladesh Bank.
- When the new minister took charge of the finance ministry in January, he had announced that default loans would not increase by a single taka. In the first six months of his tenure as the finance minister, default loans increased BDT 185.13 billion. The reason for the increase, the minister says, was many borrowers stopped paying their instalments on time in the hope of availing the relaxed rescheduling facilities he had announced earlier with a view to showing a lower default loan figure.
- Earlier on May 16, the Bangladesh Bank unveiled a special rescheduling policy, under which defaulters will be allowed to reschedule their classified loans by providing only 2% down payment instead of existing 10-50% . A maximum of 9% interest rate will be charged on the rescheduled loans, which is much lower than the existing interest rate of 12-16% . The tenure for repayment is 10 years with a grace period of one year, which is much longer than the existing duration for any loan at present. Based on banks' relationship with clients, the accrued interest on the default loan can be waived, leaving the defaulters to only pay the principle amount and the new 9% interest rate.

<https://www.thedailystar.net/business/news/default-loans-hit-the-brakes-1790632>
<http://www.newagebd.net/article/82566/defaulted-loans-go-up>

Banking sector face BDT 128.97 billion provision shortfall as of June

- The banking sector faced a combined provisioning shortfall of BDT 128.97 billion at the end of June this year, exposing their faltering financial health. Thirteen public and private

sector banks are on the list, according to the Bangladesh Bank latest data. Of the 13 banks, four are state-owned, while the remaining nine are private commercial banks. Some of the banks faced provisioning shortfall because they lent a large amount of funds in violation of banking regulations, it was alleged. According to experts, the rising trend of defaulted loans in the banking sector is largely responsible for the huge provisioning shortfall.

- The provision shortfall of AB Bank stood at BDT 35.93 billion, Bangladesh Commerce Bank's at BDT 5.11 billion, Mutual Trust Bank's at BDT 1.26 billion, Dhaka Bank's at BDT 3.29 billion, National Bank's at BDT 7.27 billion, Shahjalal Islami Bank's at BDT 1.00 billion, Social Islami Bank's at BDT 3.70 billion, Standard Bank's at BDT 1.03 billion and Trust Bank's provisioning deficit stood at BDT 1083 billion.
- As per central bank regulations, banks have to keep 0.50% to 5% provision with Bangladesh Bank against defaulted loans for general category, 20% against classified loans of sub-standard category, 50% against classified loans of doubtful category, and 100% against classified loans of bad or loss category. The capital base of the 13 banks will erode significantly as they have to keep provisioning as per the central bank rules, says a Bangladesh Bank official. Non-performing loans (NPLs) of banks rose by a staggering BDT 15.51 billion in three months till June this year, taking the amount of stress loan in the banking sector to BDT 1.12 trillion.

<https://www.dhakatribune.com/business/banks/2019/08/25/banking-sector-face-BDT12-897cr-provision-shortfall-as-of-june>

No more feather-bedding

- Finance Minister on Sunday made it abundantly clear that state-owned banks would no longer get recapitalization facility. The minister said he has asked the bank high-ups to prepare a work plan within a week, which will be reviewed later. The minister said though the banks would not be given money, they will be given necessary policy support. No allocation was set aside for recapitalization of state lenders in the current fiscal's budget, he said, adding this will be followed going forward. Data available with the ministry of finance shows that between 2012 and 2018, the government paid some BDT 125 billion to state-run banks in recapitalization.

<http://today.thefinancialexpress.com.bd/first-page/no-more-feather-bedding-1566755152>
<https://www.thedailystar.net/business/news/no-more-handouts-state-banks-1790641>
<http://www.newagebd.net/article/82534/no-more-recapitalisation-fund-for-sobs-mustafa>

FDI in apparel, textile industries

- Bangladesh textile and apparel industries received USD 408 million in foreign direct investment (FDI) in 2018, down by USD 13 million from the previous year. While total FDI in the country saw a 68% rise to USD 3.61 billion in the same year. As per Bangladesh Bank (BB) data, last year the FDI in the sector declined by 3.24% to USD 408 million, from USD 421.68 million in 2017. Hong Kong was the largest investor with an investment of USD 83 million in the country's textile and garment industry, followed by United Kingdom's USD 43 million, China with USD 40 million, South Korea USD 35 million, British Virgin Islands USD 33 million and Bermuda with USD 31 million, according to FDI data.

- Business people blame the rise in the production cost and cumbersome process of getting factory permission along with scarcity of land. However, the business leader hopes the FDI in the sector will rise as the government is providing investment facility in Special Economic

Zones. Economists believe that ongoing US-China trade war has opened up new opportunity for Bangladesh as investors are relocating their ventures from China to elsewhere. In the face of intensifying trade friction between the US and China, investors are fleeing China. They are investing in many Asian countries, Policy Research Institute (PRI) executive director said. He strongly believes Bangladesh has enough opportunity to grab work orders and investment from foreign nations. Bangladesh has to liberalize its trade and investment policy to incentivize FDI which would ultimately give a boost in investment as well as capacity, he adds.

<https://www.dhakatribune.com/business/2019/08/25/fdi-in-apparel-textile-industries>

IMF projects 7.6% GDP growth this fiscal year

- The International Monetary Fund (IMF) has projected Bangladesh's economic growth to be 7.6% this fiscal year, which is 0.6% points lower than the government's projection of 8.2%. Yet, the growth rate projected for Bangladesh is the highest in the South Asia region, according to the IMF's South Asia Update, which was released last week. Despite the positive near-term outlook, maintaining the past growth performance will become more challenging in future and will require further increase in investment and upgrading the policymaking practices and institutions, IMF said.

- India will have the second highest growth in the region at 7.2%, followed by Bhutan and Nepal at 6.3% and Sri Lanka at 4%. Pakistan will have the lowest economic growth in the region at 2.4%. IMF also upgraded Bangladesh's growth estimate for last fiscal year. Earlier in April, the Washington-based multilateral lender had projected Bangladesh's economic growth to be 7.3% in fiscal 2018-19. But now IMF estimates Bangladesh will log in 8% growth in the fiscal year that ended on June 30. The Bangladesh Bureau of Statistic's provisional estimate say the GDP growth was 8.13%.

- Domestic revenue collection needs to increase to provide fiscal space for growth-enhancing public investment and social spending. Reflecting tight expenditure control, fiscal 2018-19's budget deficit is expected to remain within 5% of GDP and the public debt-GDP ratio broadly stable, according to IMF. With the government's bank borrowing picking up in recent months, liquidity in the banking sector has been tightening and the lending and deposit rates gradually increasing.

<https://www.thedailystar.net/business/news/imf-projects-76pc-gdp-growth-fiscal-year-1790212>

Pharmaceuticals industry frets about drug price hike

- Pharmaceuticals industry insiders are worried that prices of drugs may increase after the changes in tax calculation method under the new VAT law. They said while trade prices (TP) of medicines at the manufacturers' level will go down, the payable VAT will go up due to this calculation method.

- As per an order of the VAT wing under the National Board of Revenue (NBR), issued on July 23, 2019, The maximum retail price of a medicine inclusive of VAT remains the same. But some changes have been made in trade prices and VAT. The trade price of medicines at production stage has been reduced by 2.35%. The industry insiders have also found chemist or pharmacy commission (16% of the trade price) will go up from the current fiscal year (FY) compared to that of the previous year. Moreover, the government will get BDT 0.38 more VAT on a medicine worth BDT 100 at manufacturing stage.

- According to the VAT law-1991, payable VAT of a pharmaceutical product, having BDT 100 trade price and BDT 133.40 Maximum Retail Price (MRP), was BDT 17.40 per unit. In the new VAT and Supplementary Duty (SD) law-2012, effective from July 1, 2019, payable VAT for the product will go up, claims the Bangladesh Oushad Shilpa Samity in a letter sent to the NBR. Voicing the deep concern, the Samity recently sent a letter to the NBR calling for an amendment to the process of VAT calculation method.

<http://today.thefinancialexpress.com.bd/first-page/new-vat-calculation-fallout-1566664536>
<https://www.newagebd.net/article/82432/drug-producers-seek-cancellation-of-new-vat-calculation-method>

Shipbuilding policy soon to tap export potential

- The government has drafted the shipbuilding industry development policy-2019 with an eye to developing the sector in view of its export potential, officials said. Under the move, industries ministry has prepared the draft policy so that the shipbuilding sector could boost the national economic growth.

- The draft policy has suggested preparing a master plan for shipbuilding industry that is set to create 0.1 million jobs, a ministry official said. The highly prospective industry is also projected to earn USD 4.0 billion by exporting ships abroad within the next five years. The local shipyards have so far exported 40 ships to different countries in Europe, Africa and Asia and earned USD 180 million. A hundred domestic shipyards and dockyards are capable of building ships of international standards, according to the shipbuilders.

<http://today.thefinancialexpress.com.bd/last-page/shipbuilding-policy-soon-to-tap-export-potential-1566582619?date=24-08-2019>

National Board of Revenue (NBR) plans big to monitor store sales

- The revenue authority plans to buy a total of 300,000 sales monitoring devices this fiscal year to bring all shops under an online network and cut the scope for VAT evasion. The government already gave approval to purchase 100,000 such electronic fiscal devices (EFDs) for BDT 3.16 billion (USD 37.5 million) from a consortium led by Shenzhen-based SZZT Electronics.

- The BDT 6.90-billion project aims at automating the VAT system and is also assigned to oversee the establishment of the sales monitor—an EFD management system—which will connect the devices at sales points with the revenue authority through internet. Rahman said the NBR would initially receive 10,000 devices from the bidder and the delivery of the rest would be taken upon successfully installation of the first tranche. The plan to buy the devices in higher quantity is aimed at bringing stores under the electronic network, monitoring their sales activities and boosting tax receipts. The government is yet to decide on how to realize the cost of purchasing the EFDs from shop operators. The finance minister earlier said the devices would be provided to shops at BDT 32,000 and they would pay back in instalments.

<https://www.thedailystar.net/business/news/nbr-plans-big-monitor-store-sales-1790227>

Important News: Capital Market

Axiata-Trust Bank Joint Venture gets nod to launch MFS

• A joint venture of Trust Bank and Malaysia's Axiata Group is set to roll out a new kind of mobile financial service in Bangladesh after it received a no-objection certificate from the central bank yesterday. The Kuala Lumpur-based group is the parent company of Bangladesh's second largest mobile phone operator Robi and controls 68.7% stake. Axiata Digital Ltd, the digital services arm of the group, has partnered with Trust Bank Limited, a private commercial bank, to join the growing MFS sector. The joint venture is planning to promote wallet-based services, which will ultimately help expedite financial inclusion in the country, managing director of Trust Bank said.

• In 2015 both parties reached a consensus and decided to form a joint venture company styled Trust Axiata Digital Ltd, where the bank would hold 51% stake. The entity's initial paid-up capital has been proposed to be BDT 450 million. Axiata Digital currently offers digital financial services in Malaysia, Sri Lanka, Cambodia and Indonesia – the countries where Axiata Group has mobile business. A senior official of Trust Bank says they have got a year and within the timeframe they will get the joint venture registered.

<https://www.thedailystar.net/business/news/axiata-trust-bank-jv-gets-nod-launch-mfs-1792297>

Bangladesh Telecommunication Regulatory Commission (BTRC) goes hard-line to collect dues from GP, Robi

• The telecom regulator has started the process of scrapping the licenses of the country's two biggest telecom operators -- Grameenphone and Robi, allegedly, for not paying dues to the national exchequer. The Bangladesh Telecommunication Regulatory Commission (BTRC) will serve show cause notices on the two operators to explain as to why their licenses would not be revoked, an official said. The operators may be given 30 days to respond to the notices, the BTRC official said. The punitive action is the third step after limiting bandwidth and withholding issuance of No Objection Certificates (NOCs) for the two telecom giants.

• As per a BTRC audit claim, GP has BDT 125.79 billion in dues to the government, including BDT 40.85 billion to the National Board of Revenue. Robi owes BDT 86.72 billion to the government, including BDT 19.72 billion to the revenue board. However, terming the audit claims disputed, both operators had been urging the BTRC to settle the issue through arbitration. But BTRC says there is no scope for arbitration as the existing law does not allow it.

<http://today.thefinancialexpress.com.bd/first-page/btrc-moves-to-scrap-licences-of-gp-robi-1567014368>

<https://www.dhakatribune.com/business/2019/08/28/grameenphone-robi-likely-to-lose-license-over-outstanding-dues>

No tech transfer to the Dhaka Stock Exchange (DSE) from consortium yet

• Committees have been formed to fix priorities on what to use/adopt Chinese software translated into English. Almost one year has elapsed since a Chinese consortium bought

25% stake of the Dhaka Stock Exchange but the strategic partnership is yet to bear fruit. The consortium of the Shenzhen Stock Exchange and the Shanghai Stock Exchange, which forked out BDT 9.47 billion for the stake, had promised sweeping technological upgrades. It gave hopes to stock investors of an electronic information disclosure platform, where the listed companies' corporate information, simple analytical tools, interactive question and answer facility, and online complaint portal could be found.

• The consortium had also agreed to provide matching engine, surveillance software, and extensive business reporting language. But nothing has come thus far. Subsequently, the DSE has now decided to form a committee to work out how it can extract benefits from the consortium. Another committee has been formed by the Chinese consortium. So far, the Chinese consortium has just changed the language of their software.

<https://www.thedailystar.net/business/news/no-tech-transfer-consortium-yet-1791739>

Indo-Bangla Pharma to produce 1200 million tablets per year

• Indo-Bangla Pharmaceuticals (IBP) has inked a manufacturing agreement with RHK GLOBAL (HK), Hong Kong, to produce Super Tramex-100mg brand tablet. Under the agreement made on August 26, Tramadol, the generic name of the tablet, will be produced in Indo-Bangla Pharmaceutical's production plant situated in Barisal. The company said in a disclosure, they would produce 1200 million tablets per year and the revenue of which is projected to be BDT 600 million per annum.

<http://today.thefinancialexpress.com.bd/stock-corporate/indo-bangla-pharma-to-produce-1200m-tablets-per-year-1566922877>

Ahsan H Mansur elected new chair of BRAC Bank's Board

• Dr. Ahsan H. Mansur, Independent Director of the BRAC Bank Limited (BBL) Board and an eminent economist of the country, has been elected as the new Chairperson of BBL's Board. He is succeeding Sir Fazle Hasan Abed KCMG, the Founder Chairperson of BRAC Bank. Sir Fazle is retiring from his role as both Chairperson and Member of the Bank's Board of Directors. This transition is effective from Monday, said a statement.

• This is part of Sir Fazle's long-established practice of building strong succession at BRAC Bank. Sir Fazle is the Founder Chairperson of BRAC Bank; he led the Board as the Chairperson from 2001 to 2008 and then rejoined the Board as Chairperson in February 2013. With Sir Fazle at the helms, BRAC Bank has proven itself to be one of the most successful financial institutions in Bangladesh, ensuring inclusion of the unbanked population in the financial system. In the bank's formative stage, keen on visualizing the future, he led the BRAC Bank to become the most modern, customer-friendly and technologically advanced bank in Bangladesh.

• Dr. Ahsan H. Mansur was inducted as an Independent Director to the Board of BRAC Bank in May 2017. Dr. Mansur started his career as a Lecturer in Dhaka University's Department of Economics in 1976. Following that, he had a long and distinguished career at the International Monetary Fund (IMF). He joined the IMF in 1981 and thereafter completed his PhD in Economics (on general equilibrium analysis) from the University of Western Ontario, Canada in 1982. Working in Middle Eastern, Asian, African and Central American countries, he also served as the IMF Senior Resident Representative to Pakistan during 1998-2001 and as the Fiscal Advisor to the Minister of Finance, Government of Bangladesh (1989-91). After retiring from the IMF, Dr. Mansur established the Policy

Research Institute of Bangladesh as its Founder Director and Executive Director.

<http://today.thefinancialexpress.com.bd/stock-corporate/ahsan-h-mansur-elected-new-chair-of-brac-banks-board-1566841201>
<https://www.newagebd.net/article/82632/mansur-elected-brac-bank-chairperson>
<https://www.thedailystar.net/business/news/ahsan-mansur-new-brac-bank-chairperson-1791196>

BDT 300 million Bangladesh Telecommunication Regulatory Commission (BTRC) fine on GP legal: High Court

- The High Court on Sunday declared legal the imposition of a BDT 300 million fine on mobile operator Grameenphone by the Bangladesh Telecommunication Regulatory Commission for providing broadband internet services in violation of rules. The BTRC however, requires issuing a fresh notice to GP asking it to pay the amount. The HC in its verdict observed that GP committed a criminal offence by running broadband services in violation of the telecom law. The court directed the Comptroller and Auditor General to assess within four months the actual benefit GP got in giving the broadband services.

In slapping the fine, the BTRC earlier said GP violated its licensing condition by providing internet connectivity under its 'Go Broadband' brand to 551 branches of state-run Sonali Bank through its own fiber transmission. GP signed an agreement with Sonali Bank in December 2014 to establish last-mile connectivity for the bank through fiber optic. According to the BTRC rules, only the Nationwide Telecommunication Transmission Network operators are allowed to provide internet services through their own fiber transmission. In April 2014, GP launched the GO Broadband service in partnership with ISP operator ADN Telecom Ltd and AGNI Systems Ltd. The telecom regulator's move against GO Broadband came following a complaint filed with the BTRC by the Internet Service Providers Association of Bangladesh in February, 2016.

<http://today.thefinancialexpress.com.bd/last-page/hc-asks-btrc-to-issue-new-letter-to-gp-1566755914>
<http://www.newagebd.net/article/82529/BDT-30cr-btrc-fine-on-gp-legal-hc>

Shasha Denims gets Bangladesh Bank permission

- Shasha Denims has informed that Bangladesh Bank has approved to transfer shares and permission to repatriate sale proceeds of EOS Textile Mills in favor of its non-resident shareholders (transferor). The central bank has also approved and fixed the selling price of the shares of the company at nearly BDT 1.11 billion, according to a disclosure posted on the Dhaka Stock Exchange (DSE) website on Thursday.

- In February this year, the Shasha Denims decided to acquire 80% of stakes in EOS Textile Mills for USD 12 million (about BDT 1014 million), reversing its earlier decision to acquire 40% of stakes. EOS Textiles Mills, a 100% export-oriented textile company, was established by Italian investors at the Dhaka Export Processing Zone in Savar on June 8, 1998.

<http://today.thefinancialexpress.com.bd/stock-corporate/shasha-denims-gets-bb-permission-1566494490?date=23-08-2019>

Four Z-category companies under DSE scanner

- The country's premier bourse will inspect the business affairs of four 'Z' category companies which failed to declare dividends for a period of last five years. In last week, the Bangladesh Securities and Exchange Commission (BSEC) allowed the Dhaka Stock Exchange (DSE) to conduct this inspection. The companies whose business affairs will be examined are ICB Islamic Bank, Information Services Network, United Airways and Beach Hatchery. As per the regulatory permission, the DSE will investigate the operational status and other relevant issues of the companies.

<http://today.thefinancialexpress.com.bd/stock-corporate/four-z-category-cos-under-dse-scanner-1566661552>