

Following is a summary of important business news published in the leading daily newspapers of Bangladesh. For the complete news, please follow the online link given below each news. Please note that the news summary doesn't reflect the opinion of BRAC EPL Stock Brokerage Limited.

Deposits in non-bank financial institutions (NBFIs) drop by 5.7% in April-June

- Country's non-bank financial institutions witnessed fund withdrawal pressure in the April-June quarter of the year 2019 with the total deposits in the entities dropped by 5.7% or BDT 26.47 billion in the period amid growing public distrust of the entities. As per the Bangladesh Bank's latest report, the total deposits in the NBFIs dropped to BDT 437.76 billion at the end of June this year from BDT 464.23 billion three months ago.
- Due to corruption and huge irregularities in loan disbursement, the defaulted loans in NBFIs increased to BDT 73.2 billion at the end of June this year, representing 11% of outstanding loans in the sector, the BB data showed. The BB, however, calculated the defaulted loans in the NBFIs without taking BDT 7.48 billion defaulted loans of People's Leasing into consideration as the entity is under the liquidation process.
- Another BB report showed that only four out of 34 non-bank financial institutions were positioned in the green zone while 18 in the yellow zone and 11 including PLFS and Bangladesh Industrial Finance Company in the red zone.
- Due to the fall in deposits, the private sector credit through NBFIs dropped to an all-time low 4.1% in the fiscal year 2018-2019. As per the BB data, fixed deposits, representing 96.17% of the deposits in the NBFIs, dropped by BDT 26.53 billion to BDT 421 billion at the end of June this year from BDT 447.52 billion three months ago. Special purpose deposits in NBFIs, however, increased by BDT 3.24 billion to BDT 7.09 billion at the end of June from BDT 3.85 billion three months ago.
- The amount of non-performing loans in the country's banking sector increased to BDT 2.2 trillion at the end of March this year. Of the amount, BDT 1.12 trillion was recoverable, while BDT 300 billion was not recoverable and the recovery of loans amounting to BDT 800 billion was stalled by courts.

<http://www.newagebd.net/article/91727/deposits-in-nbfis-drop-by-57pc-in-april-june>

Government plans to issue new telecom licenses for 5G

- The government is planning to issue new mobile phone licenses to roll out 5G technology as a number of foreign companies are keen to invest in the fast expanding telecommunication sector. Representatives of mobile companies from Japan, Korea and Saudi Arabia recently held meetings with senior officials at the Ministry of Post and Telecommunication to discuss the matter, said officials. On October 17, Post and Telecommunication Minister Mustafa Jabbar announced that 5G technology would be launched across the country, a faster internet technology, by 2021.
- Bangladesh Telecommunication Regulatory Commission (BTRC) already started to formulate a guideline for the 5G roll-out, it was learnt. The BTRC plans to cover the entire country (up to upazila level, growth centres and railway stations) with 5G by 2026. The BTRC team was considering to introduce 5G in 2.6 and 3.5 Gigahertz band spectrum, said a commission's top official.
- In February last year, the government provided 4G license to four mobile phone companies through an spectrum auction and earned BDT 52.69 billion in revenue. Banglalink took 10.6 MHz spectrum from different two bands – 2100 and 1800, with a price of BDT 25.58 billion while Grameenphone took 5MHz from 1800 band with a price of BDT 12.84 billion. Robi did not buy any spectrum as it and Airtel merged while Teletalk has already enough spectrum to launch the 4G services.

<https://www.dhakatribune.com/business/2019/11/25/govt-plans-to-issue-new-telecom-licences-for-5g>

0.7 million new mobile subscribers added in October

- The country's mobile phone operators added 0.7 million new subscribers in October, taking the total number of mobile phone subscribers to 164.1 million, says the telecom regulator. BTRC data showed, leading mobile phone company Grameenphone (GP) added 0.3 million new subscribers in October, taking the company's total number of subscribers to 76.0 million. Robi, the second largest mobile phone operator, roped in 0.2 million new subscribers in the month, taking its total number of subscribers to 48.3 million. Banglalink's total number of subscribers stood at 35.0 million as the mobile telephone company added 0.1 million new subscribers over the month. Teletalk, the state-run mobile phone operator, added 0.18 million new subscribers over the one-month period, taking the company's total number of subscriber to 4.71 million.
- According to the officials at the GP and Robi, the ongoing dispute of BTRC's audit claim of BDT 134.46 billion slowed down their subscribers growth. Besides, the officials said that the telecom regulator's move to withhold approvals for new package, and put bars on the import of network equipment further drag on their new subscribers. They said since

July 22 of this year the BTRC had not been allowing the two mobile phone operators neither to offer new packages nor renew their exiting offers. Under these circumstances, GP and Robi had been more focused on customers' retention; rather than gaining new ones, the officials of the two companies added.

<https://www.dhakatribune.com/business/2019/11/25/seven-lakh-new-mobile-subscribers-added-in-october>

Confidence Power Bogra starts operation

- Confidence Power Bogra Ltd, a 99% subsidiary of Confidence Power Holdings Ltd, has started commercial operation upon successful testing and commissioning. The Confidence Power Holdings is an associate company of Confidence Cement Ltd. The Confidence Cement, a listed company, has 41% stake in Confidence Power Holdings, said an official disclosure on Monday. According to the disclosure, the Confidence Power Bogra has begun commercial operation of its heavy fuel oil (HFO)-based, net 113 MW power plant situated at Natore-Bogura Highway at Birgram, Bogura, consisting of Unit of MAN Diesel & Turbo SE (Engine) supplied by Germany, XD (Sub-station) by China, MAN (Turbine) and ME (Boiler) by India. The whole production of electricity will be sold to the Bangladesh Power Development Board (BPDB), said the disclosure.

- In January 2018, the board of directors of the Confidence Cement agreed to invest in the new power plant projects located at Bogra, Rangpur and Chittagong under Confidence Power Holdings. The Confidence Power Bogra Unit-2, a 99% subsidiary of Confidence Power Holdings, also started commercial operation on March 30, this year. Confidence Power Rangpur also started commercial operation on August 2 of this year.

<https://today.thefinancialexpress.com.bd/stock-corporate/confidence-power-bogra-starts-operation-1574704457>

Policy panel worried as tax collection dips

- Falling revenue has worried top policymakers as a coordination council sat on Monday to take stock of the situation. The meeting weighed options, including widening the area of value added tax, VAT, net to help offset the revenue deficit. It also discussed the possibility of trimming the existing tax exemption facilities offered to different sectors. The tax authority faces a revenue shortfall of more than BDT 149 billion during the first quarter of fiscal year 2019-2020. During the period, the National Board of Revenue, NBR, was able to collect BDT 473.88 billion as tax revenue against the target of BDT 622.94 billion, according to official figures.

- The meeting discussed the key indicators of the macro-economy, including the exchange rate of the local currency against the US dollar and the government's bank borrowing, according to sources. Regarding the exchange rate, the meeting said the exchange of Bangladesh Taka will be adjusted in line with the market requirements, they added. The greenback was quoted at BDT 84.80 each in the inter-bank market on November 14 against BDT 83.90 on January 02 this calendar year. The latest depreciation came against the backdrop of falling trend in the export income during the first four months of the current fiscal.

- Meanwhile, the government's net bank borrowing stood at BDT 440.97 billion, which was more than 93% of the total target as of November 19 of FY '20, according to a the BB's confidential report. Of the total, the government borrowed BDT 373.74 billion from the banks using treasury bills and bonds, and the remaining BDT 67.23 billion from the central bank. A falling trend in sales of national savings certificates coupled with a shortfall in revenue collection has led to higher bank borrowing by the government during the first quarter, said banking sector insiders.

<https://today.thefinancialexpress.com.bd/first-page/policy-panel-worried-as-tax-collection-dips-1574703012>

World Stock and Commodities*

Index Name	Close Value	Value Change	% Change
Crude Oil (WTI)*	\$57.99	-0.02	-0.03%
Crude Oil (Brent)*	\$63.64	-0.01	-0.02%
Gold Spot*	\$1,454.31	-0.95	-0.07%
DSEX	4,693.63	+5.20	+0.11%
Dow Jones Industrial Average	28,066.47	+190.85	+0.68%
FTSE 100	7,396.29	+69.48	+0.95%
Nikkei 225	23,431.74	+138.93	+0.60%
BSE SENSEX	41,022.29	+133.06	+0.33%

Exchange Rates

USD 1 = BDT 84.79*

GBP 1 = BDT 109.36*

EUR 1 = BDT 93.40*

INR 1 = BDT 1.18*

**Currencies are taken from XE Currency Converter and Commodities are taken from Bloomberg.*

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