

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.

Government bonds' yields rise notably

- Yields on the government treasury bonds (T-bonds) increased significantly on Tuesday, as the banks were reluctant to invest their funds in the long-term securities ahead of the national polls.
- The cut-off yield, generally known as interest rate, on 15-Year Bangladesh Government Treasury Bonds (BGTBs) rose to 7.55% on the day from 7.20% of the previous auction, held on September 26.
- On the other hand, the cut-off yield on 20-Year BGTBs reached 8.24% on the day from 7.97% of the previous auction, according to the auction results, issued by Bangladesh Bank (BB).
- The government borrowed BDT 12.0 billion on Tuesday through issuing the bonds to finance budget deficit partly ahead of the parliamentary election.
- The excess liquidity in banks dropped by nearly 15% to around BDT 800.0 billion in September from BDT 940.0 billion three months before, mainly due to higher circulation of currency outside the banking system before the polls.
- The central bank's continuous selling of the US dollar has also reduced the amount of excess liquidity in the banks, particularly in the state-owned commercial banks (SoCBs).

<http://today.thefinancialexpress.com.bd/first-page/govt-bonds-yields-rise-notably-1543341402>
<https://www.thedailystar.net/business/banking/news/govts-bank-borrowing-soars-ahead-polls-1666057>

Trading sector eats up 51% of small and medium enterprise (SME) financing

- The trading sub-sector gets more than 51% of the loans and advances disbursed by the banks and financial institutions to the small and medium enterprises (SMEs) sector, according to official figures.
- On the other hand, the manufacturing and services sub-sectors get lower shares of the institutional financing, affecting employment generation.
- According to figures available with the Bangladesh Bank (BB), different banks and non-bank financial institutions (NBFIs) disbursed about BDT 1.56 trillion in loans to the SMEs sector in the fiscal year (FY) 2017-18.
- Over 51.47% of that amount went to the trading sub-sector alone while the manufacturing sub-sector received 31.39%.
- The trading sub-sector got over 64.16% of the total SME credit disbursed in the FY 2016-17.

<http://today.thefinancialexpress.com.bd/last-page/trading-sector-eats-up-51pc-of-sme-financing-1543341910>

Bangladesh Securities and Exchange Commission (BSEC) asks KPCL sponsors, directors to stop sales and transfer of shares; approves IPO of New Line Clothings

- The securities regulator has directed Khulna Power Company Limited (KPCL) to stop the sales and transfer of its shares by sponsors, directors and others holding substantial amount of shares.
- The regulatory directive came as the company conducted sales of its shares by sponsors and directors 'concealing' price sensitive information.
- According to the BSEC, the tenure of contract signed between the KPCL and Bangladesh Power Development Board (BPDB) for 'IPP Contract of KPCL 110MW Barge Mounted Power Plant' expired on October 11, 2018.
- The BPDB also requested the KPCL to keep its power plant shut through a letter delivered on October 11, 2018, the BSEC said.
- The company did not disseminate the matter despite it was a price sensitive information.
- On the other hand, the securities regulator also approved the IPO (initial public offering) proposal of New Line Clothings which will raise a capital worth BDT 300 million offloading 30 million shares.
- The company's IPO proceeds will be utilised to purchase machineries, expand factory building, repay term loans and

bear the IPO expenses.

- The company's basic EPS was BDT 1.85, while the NAV with revaluation was BDT 31.63 per share for the year ended on June 30, 2017. The company's NAV without revaluation was BDT 20.52 per share for the same period.
- Banco Finance & Investment, Sandhani Life Finance and Southeast Bank Capital Services are working as issue managers of the New Line Clothings.
- As per another BSEC decision, LankaBangla Finance will raise a capital worth BDT 3.0 billion issuing non-convertible subordinated bond.
- The tenure of the bond will be six years. The company will raise the capital to strengthen the Tier-II capital base.

<http://today.thefinancialexpress.com.bd/stock-corporate/bsec-asks-kpcl-sponsors-directors-to-stop-sales-and-transfer-of-shares-1543339498>
<https://www.thedailystar.net/business/news/khulna-power-directors-barred-selling-shares-1666048>
<http://www.newagebd.net/article/57260/bsec-bars-kpcl-share-transfers-sales-by-sponsors-directors>
<https://www.dhakatribune.com/business/stock/2018/11/27/bsec-approves-lankabangla-s-subordinated-bond-of-BDT-300-crore-ipo-of-new-line-clothings>
<https://www.dhakatribune.com/business/stock/2018/11/27/securities-laws-violation-kpcl-directors-barred-from-selling-shares>

Asian Development Bank (ADB) approves USD 50.0 million loan for microenterprise development

- Asian Development Bank (ADB) has approved USD 50.0 million loan to promote microenterprise development in Bangladesh through a credit line to Palli Karma Sahayak Foundation (PKSF), a development finance organisation, and its partner microfinance institutions.
- The project will help fill the funding gap in the short term. The loan will be provided to PKSF to on-lend to partner organisations and to sub-lend to about 40,000 microenterprises, of whose 70% are female, said an ADB press release.
- To address medium-term challenges, the release said, the project will help PKSF develop a financing strategy and carry out institutional strengthening.
- For the longer term, the project will develop microenterprise finance operational guidelines for microfinance institutions, including piloting for some partner organizations a mobile-based financing application.
- It will also assist in clustering microenterprises for business expansion and up-scaling with quality control, branding, packaging, and marketing.
- The total cost of the project, which is due for completion at the end of 2020, is USD 62.5 million, of which the microenterprises will contribute USD 12.5 million.

<http://today.thefinancialexpress.com.bd/trade-market/adb-approves-50m-loan-for-microenterprise-development-1543340651>

BRAC Bank, bKash join hands with WorldRemit

- International digital money transfer service WorldRemit has tied up with local entities BRAC Bank and bKash to enhance its footprint in Bangladesh.
- As a result, Bangladeshi diaspora living in over 50 countries can now send money quickly and securely to 1.5 million BRAC Bank accounts, 186 BRAC Bank branches as well as up to 30 million bKash mobile money wallets.
- At the same time, around 30 BRAC SME locations can be used for collection of remittances in cash as part of the service.
- The new partnership considerably expands WorldRemit's footprint in Bangladesh and supports its plan to serve 10 million customers connected to emerging markets by 2020, officials of the company said.

<http://today.thefinancialexpress.com.bd/trade-market/brac-bank-bkash-join-hands-with-worldremit-1543340530>
<https://www.thedailystar.net/business/banking/news/worldremit-deliver-remittance-bkash-1666036>
<http://www.newagebd.net/article/57269/brac-bank-bkash-join-with-worldremit-for-money-transfer-to-bangladesh>

British Business Group to encourage more British companies to invest in Bangladesh

- The British Business Group, Bangladesh (BBG) arranged a workshop for its members on how they can contribute to

the group's goal and actively play their role in achieving it.

- British High Commissioner has welcomed and ensured to support the commitment by the BBG to be a strong and forward looking partner for the UK Government and British businesses and investors in Bangladesh. By engaging with the Government to improve the business environment the BBG will encourage more British firms to export and invest in Bangladesh.

<http://today.thefinancialexpress.com.bd/stock-corporate/bbg-to-encourage-more-british-cos-to-invest-in-bd-1543340040>
<http://www.newagebd.net/article/57270/bbg-discusses-bangladesh-business-environment>

World Stock and Commodities*

Index Name	Close Value	Value Change	% Change
Crude Oil (WTI)*	\$51.98	+0.42	+0.81%
Crude Oil (Brent)*	\$60.66	+0.45	+0.75%
Gold Spot*	\$1,214.54	-0.51	-0.04%
DSEX	5288.54914	+9.29	+0.18%
Dow Jones Industrial Average	24,748.73	+108.49	+0.44%
FTSE 100	7,016.85	-19.15	-0.27%
Nikkei 225	22,196.12	+243.72	+1.11%

Exchange Rates

USD 1 = BDT 83.89*
GBP 1 = BDT 106.90*
EUR 1 = BDT 94.73*
INR 1 = BDT 1.18*

*Currencies and Commodities are taken from Bloomberg.

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