

## Weekly Market Update

### Capital Market Overview

The market closed in green this week. The benchmark index DSEX (+3.70%) gained 206.83 points and closed the week at 5,797.30 points. The blue-chip index DS30 (+3.59%) gained 69.75 points and stood at 2,011.74 points. The shariah based index DSES (+3.72%) gained 47.30 points and stood at 1,318.66 points. DSEX, DS30 and DSES all posted positive YTD return of +7.64%, +6.96%, and +6.96% respectively.

**Total Turnover During The Week (DSE) :** BDT 49.3 billion (USD 592.5 million)  
**Average Daily Turnover Value (ADTV):** BDT 9.9 billion ( $\Delta\%$  Week: +37.4%)

**Market P/E:** 18.07x  
**Market P/B:** 2.30x

#### Daily Index Movement during the Week:

The market performed five sessions during this week. Market opened this week with a positive movement of 1.73% in the first session. Then the market turned negative in the second session by 0.56%. In the third session the market rebounded to positive by 2.04% and remained positive in the fourth session by 0.48%. The market again turned negative in the last session by 0.02%.

#### Sectoral Performance:

- Financial sectors showed positive performance this week. General Insurance posted highest gain by 8.95% followed by NBFIs (+7.19%), Mutual Funds (+6.73%), Life Insurance (+6.26%) and Banks (+4.79%).
- The non-financial sectors positive performance this week. Telecommunication posted highest gain by 6.63% followed by Food and Allied (+3.23%), Power (+2.70%), Pharmaceuticals (+2.52%) and Engineering (+2.25%).

#### Macroeconomic arena:

- Bangladesh's overall balance of payment (BoP) recorded USD 837 million deficit during the July-November period of this fiscal year (FY), 2018-19, over the corresponding period of the previous fiscal as the overall deficit in BoP was USD 479 million during the same period of FY 2017-18.
- The World Bank (WB) has projected a 7.0% economic growth for Bangladesh in fiscal year (FY) 2018-19. WB has also forecast a 6.8% GDP (gross domestic product) growth for the country in FY 2019-20 and FY 2020-21 each.
- Export earnings from the country's merchandise shipments during the first half of the current fiscal year (FY) stood at USD 20.49 billion, marking a 14.42% growth over the corresponding period of the last fiscal. Earnings from export of readymade garments (RMG) during the July-December period of the current fiscal year increased by 15.65% to USD 17.08 billion.
- Country's import payments rose by 9.12% in the July-November period of the current fiscal year (2018-2019) due mainly to a 59.59% surge in payment against petroleum oils import.

#### Stock Market arena:

- Initial public offering (IPO) funded project of BBS Cables is set to start commercial operation from 12th January which will enhance the annual production capacity of the by 37% (6,100 MT) that will stand up to 22,700 MT (approx.) annually, the value of which is about BDT 12 billion approximately.
- The government's revenue earnings from the premier bourse declined about 25% in the first six months of the current fiscal year (FY), 2018-19, compared to the same period of the previous fiscal as a result of Lower turnover amid bearish trend in the capital market throughout the six months contributed to the fall in the revenue collection.
- The NIPRO Corporation of Japan has shown 'keen' interest to subscribe for a substantial amount of shares in the JMI Syringes & Medical Devices as it is willing to subscribe for 11,100,000 ordinary shares.
- Walton Hi-Tech Industries Limited (WHIL) will hold road show for eligible institutional investors on January 15 as it intends to go public through initial public offering using the book building method. It aims to collect BDT 1.0 billion for factory expansion, modernisation, research and development, repaying partial bank loans and meeting initial public offering (IPO) expenses.

January 10, 2019 (Week: January 06, 2019 - January 10, 2019)

Dhaka Stock Exchange

**DSEX gained 3.70% in the week**

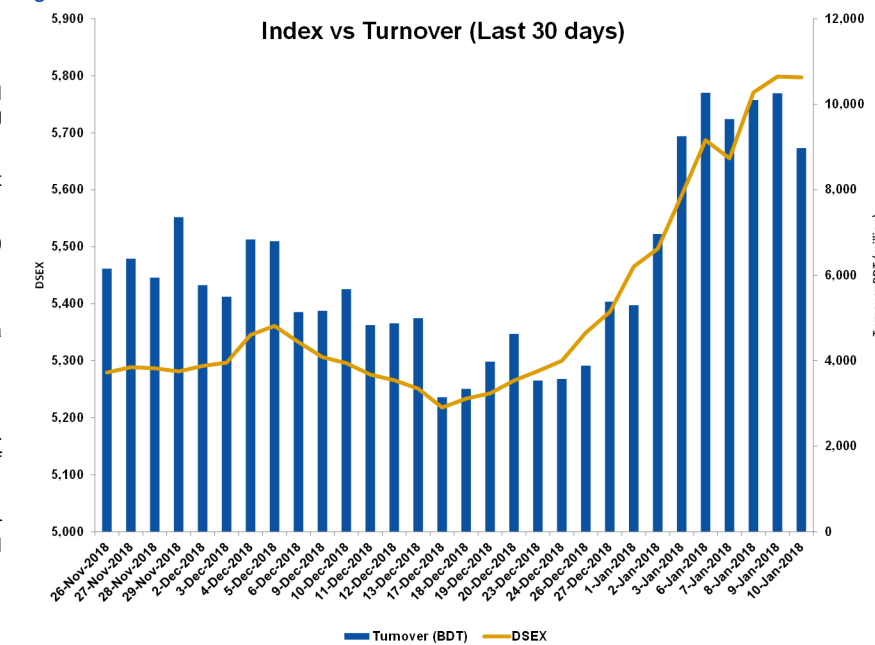
Table 1: Index

Index	Closing	Opening	$\Delta$ (Pts)	31-Dec-2016	$\Delta\%$ Week	$\Delta\%$ YTD
DSEX	5,797.30	5,590.47	206.83	5,385.64	3.70%	7.64%
DS30	2,011.74	1,941.99	69.75	1,880.78	3.59%	6.96%
DSES	1,318.66	1,271.37	47.30	1,232.82	3.72%	6.96%

Table 2: Market Statistics

		This Week	Last Week	%Change
Mcap	Mn BDT	20,328,741.8	11,820,560.1	72.0%
	Mn USD	244,541.6	142,193.7	
Turnover	Mn BDT	49,256.5	21,515.4	128.9%
	Mn USD	592.5	258.8	
Average Daily Turnover	Mn BDT	9,851.3	7,171.8	37.4%
	Mn USD	118.5	86.3	
Volume	Mn Shares	1,411.1	620.9	127.3%

Figure 1: DSEX & Turnover in last four weeks



Associate:

Md. Rafiqul Islam

[mrafiqulislam@bracepl.com](mailto:mrafiqulislam@bracepl.com)

**Table 3: Top Ten Gainers**

Company Name	Close	Open	Δ%	Mcap (mn BDT)	Vol (mn BDT)	P/E	P/B
United Insurance	43.90	31.00	41.6%	1,843.8	177.85	15.3x	1.5x
Phoenix Insurance	41	30.80	32.8%	1,650.0	192.80	16.8x	1.2x
JMI Syringes & Medical Devices Ltd	388.60	311.20	24.9%	4,274.6	913.00	57.3x	6.0x
Northern Insurance	23.70	19.20	23.4%	1,011.0	62.02	15.3x	1.3x
Chittagong Vegetable	224.80	184.20	22.0%	5,675.1	559.64	NM	11.9x
Sunlife Insurance Company Limited	32.70	27.00	21.1%	1,169.4	149.04	NM	3.3x
Emerald Oil Industries Ltd.	21.80	18.10	20.4%	1,301.8	37.46	7.2x	1.4x
Prime Islami Life Ins	67.90	56.50	20.2%	2,072.3	179.61	NM	6.8x
Alif Manufacturing Company Ltd.	12.10	10.10	19.8%	2,912.1	644.99	13.8x	1.0x
Savar Refractories	158.80	133.00	19.4%	221.2	6.68	NM	25.3x

**Table 4: Top Ten Losers**

Company Name	Close	Open	Δ%	Mcap (mn BDT)	Vol (mn BDT)	P/E	P/B
Stylecraft Limited	783.60	892.00	-12.2%	3,956.4	207.66	137.1x	12.4x
Bangas	315.60	353.30	-10.7%	2,291.8	314.35	NM	15.0x
Advent Pharma Limited	37.30	40.90	-8.8%	2,814.7	193.59	57.8x	3.2x
Saiham Textile	49.40	53.60	-7.8%	4,473.8	53.56	48.4x	2.6x
Fine Foods Ltd	40.70	44.00	-7.5%	568.7	158.40	65.9x	3.9x
M.L. Dyeing Limited	32.10	34.70	-7.5%	6,179.0	223.52	27.8x	1.6x
Kattali Textile Limited	25.50	27.50	-7.3%	2,496.5	137.37	23.4x	1.5x
Indo-Bangla Pharmaceuticals Limited	32.10	34.60	-7.2%	3,283.8	216.94	55.6x	2.7x
Silva Pharmaceuticals Limited	32.40	34.90	-7.2%	4,212.0	277.54	52.5x	2.1x
SK Trims & Industries Limited	45.20	48.40	-6.6%	3,164.0	173.55	59.6x	3.9x

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

Company Name	Close	Open	Δ%	Mcap (mn BDT)	Vol (mn BDT)	P/E	P/B
BBS Cables Limited	110.60	107.80	2.6%	17,552.2	1,255.85	42.5x	7.0x
Olympic Industries	258.40	217.70	18.7%	51,664.2	1,105.77	31.4x	9.5x
BRAC Bank	79.80	75.00	6.4%	85,585.5	1,045.41	22.0x	4.4x
Beximco Limited	25.40	26.40	-3.8%	22,258.5	925.41	21.7x	0.4x
JMI Syringes & Medical Devices Ltd	388.60	311.20	24.9%	4,274.6	913.00	57.3x	6.0x
Paramount Textile Limited	71.50	72.50	-1.4%	9,688.2	852.94	43.1x	4.8x
Active Fine Chemicals Limited	29.80	31.00	-3.9%	7,150.1	812.00	12.9x	2.2x
Singer Bangladesh	235.90	225.70	4.5%	18,092.2	769.52	33.1x	10.2x
Khulna Power Company Limited	65.30	65.90	-0.9%	25,951.1	663.06	14.2x	2.8x
Dragon Sweater & Spinning Ltd.	23.60	22.80	3.5%	3,121.1	661.17	21.4x	1.7x

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

Top 10 Most Appreciated Stocks	Close	Δ% YTD	Mcap (mn BDT)	P/E
Berger Paints	1,353.80	31.25%	62,786.4	31.1x
Prime Islami Life Ins	67.90	23.68%	2,072.3	NM
Singer Bangladesh	235.90	20.66%	18,092.2	33.1x
Atlas Bangladesh	143.10	19.79%	4,740.5	NM
Summit Power	42.70	18.94%	45,598.4	10.4x
Mutual Trust Bank	35.90	15.39%	20,583.7	14.1x
Jamuna Bank	20.50	13.68%	15,359.1	8.6x
Pioneer Insurance	33.30	9.18%	2,330.4	18.5x
Marico Bangladesh Limited	1,198.70	8.37%	37,759.1	26.2x
Agni System Limited	22.50	7.88%	1,632.5	24.3x

**Table 6: Sector Indices**

Sector Name	Week Close	Week Open	Year Open	%Δ Week	%Δ YTD
Banks	1560.73	1489.36	1848.21	4.79%	-15.55%
NBFIs	2368.23	2209.38	2714.85	7.19%	-12.77%
Mutual Funds	710.27	665.50	788.81	6.73%	-9.96%
General Insurance	1715.45	1574.48	1592.30	8.95%	7.73%
Life Insurance	2342.97	2204.84	1834.85	6.26%	27.69%
Telecommunication	5412.86	5076.14	6494.31	6.63%	-16.65%
Pharmaceuticals	2802.52	2733.70	2821.05	2.52%	-0.66%
Fuel & Power	1903.05	1853.01	1527.27	2.70%	24.60%
Cement	1779.35	1760.83	2280.58	1.05%	-21.98%
Services & Real Estate	1100.33	1084.14	1224.11	1.49%	-10.11%
Engineering	3173.32	3103.60	3166.83	2.25%	0.20%
Food & Allied	15325.47	14845.47	15304.34	3.23%	0.14%
IT	1678.63	1634.14	1484.41	2.72%	13.08%
Textiles	1559.55	1555.87	1222.72	0.24%	27.55%
Paper & Printing	9713.82	9954.54	1013.11	-2.42%	858.81%
Tannery	2609.36	2611.26	2642.41	-0.07%	-1.25%
Jute	24386.91	21674.93	8867.22	12.51%	175.02%
Ceramics	633.09	625.09	597.46	1.28%	5.96%
Miscellaneous	2012.78	2037.00	1725.62	-1.19%	16.64%

**Table 7: Sector Trading Matrix**

Sector Name	Daily average this Week	Daily average last week	% Change	% of Total Turnover	P/E	P/B
Banks	1,224.0	680.6	79.85%	12.53%	10.0x	1.1x
NBFIs	575.7	358.1	60.78%	5.90%	22.7x	2.3x
Mutual Funds	59.9	29.9	99.92%	0.61%	NM	0.6x
General Insurance	431.9	199.0	116.98%	4.42%	15.6x	1.2x
Life Insurance	338.1	195.3	73.09%	3.46%	NM	9.7x
Telecommunication	176.0	62.5	181.63%	1.80%	23.8x	17.5x
Pharmaceuticals	1,093.3	873.2	25.21%	11.20%	21.1x	3.4x
Fuel & Power	771.1	625.9	23.19%	7.90%	16.1x	2.5x
Cement	147.5	74.4	98.20%	1.51%	20.0x	3.3x
Services & Real Estate	169.3	148.1	14.32%	1.73%	27.8x	0.9x
Engineering	1,447.6	1,131.9	27.89%	14.82%	24.6x	2.3x
Food & Allied	520.8	272.3	91.29%	5.33%	31.1x	10.8x
IT	382.2	330.6	15.63%	3.91%	32.4x	3.4x
Textiles	1,659.4	1,419.6	16.89%	16.99%	24.0x	1.3x
Paper & Printing	64.4	79.6	-19.08%	0.66%	NM	5.2x
Tannery	105.8	83.4	26.84%	1.08%	19.9x	3.2x
Jute	67.5	49.1	37.54%	0.69%	NM	10.3x
Ceramics	87.6	85.0	2.97%	0.90%	30.5x	2.4x
Miscellaneous	443.0	433.2	2.28%	4.54%	28.9x	1.3x

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

Top 10 Least Appreciated Stocks	Close	Δ% YTD	Mcap (mn BDT)	P/E
AB Bank	13.60	-38.46%	10,310.6	6.8x
Lafarge Surma Cement	46.60	-33.33%	54,120.0	24.3x
City Bank	32.80	-31.86%	31,750.0	7.8x
Eastern Bank	38.30	-25.05%	28,265.4	10.4x
EXIM Bank	12.90	-25.00%	18,218.0	6.2x
Islami Bank	27.50	-24.86%	44,274.7	9.9x
United Airways (BD) Ltd.	3.50	-24.70%	2,898.3	14.9x
Aftab Automobiles	48.70	-24.14%	4,662.2	11.8x
International Leasing	15.00	-23.98%	3,168.7	25.2x
Prime Bank	19.20	-22.92%	21,739.8	9.9x

## Important News: Business & Economy

### Bangladesh Bank (BB) report suggests better watch, risk management

- The central bank has emphasised improving financial intermediation efficiency by reducing the amount of classified loans in the banking system through better supervision and risk management.
- The Bangladesh Bank's (BB) latest observations came against the backdrop of rising volume of the non-performing loans (NPLs) in the country's banking system in the recent months.
- Chairman of the Association of Bankers Bangladesh (ABB), has sought judicial support immediately to lower the amount of NPLs in the banking system.
- The senior banker also suggested creating social pressures, like - imposing restriction on air travel, against the loan defaulters, particularly the wilful ones, which will help reduce the volume of default loans.
- The volume of NPLs jumped by nearly 34% or BDT 250.67 billion to BDT 993.70 billion as on September 30, from BDT 743.03 billion as on December 31, 2017, according to the BB data.

<http://today.thefinancialexpress.com.bd/first-page/bb-report-suggests-better-watch-risk-management-1547055661>

### World Bank (WB) revises GDP (gross domestic product) growth forecast to 7.0%

- The World Bank (WB) has projected a 7.0% economic growth for Bangladesh in fiscal year (FY) 2018-19.
- The WB has also forecast a 6.8% GDP (gross domestic product) growth for the country in FY 2019-20 and FY 2020-21 each.
- The global lender made the projections in its 'Global Economic Prospects (GEP)' of January 2019. In its GEP of June 2018, the WB projected a 6.7% GDP growth in FY 2018-19 for the country.
- In Bangladesh, robust economic activity is expected to be sustained, the WB said in its GEP. Activity will be supported by strong private consumption and investment on the back of infrastructure projects, it pointed out.

<http://today.thefinancialexpress.com.bd/first-page/wb-revises-gdp-growth-forecast-to-70pc-1547055944>  
<https://www.thedailystar.net/business/news/wb-jacks-gdp-growth-estimate-1685449>  
<http://www.newagebd.net/article/61327/wb-retains-lower-gdp-growth-forecast-of-7pc-for-fy19>

### Streamlining banking sector top priority, says newly appointed finance minister

- Finance Minister said, one of his priorities would be to straighten out the problems of the country's banking sector as early as possible.

- He said some banking sector-related laws are found flawed and those need to be amended.
- According to him, the volume of non-performing loans (NPLs) could have come down drastically if the government implemented the existing laws properly.
- A committee will be formed to locate the people who helped accumulation of classified and written-off loans, he added.

<http://today.thefinancialexpress.com.bd/first-page/streamlining-banking-sector-top-priority-says-kamal-1547056003>  
<https://www.thedailystar.net/business/news/bank-company-act-be-amended-nab-defaulters-minister-1685452>

### SAARC Development Fund (SDF) to launch USD 10 million Micro, Small and Medium Enterprise (MSME) funding in Bangladesh

- The SAARC Development Fund (SDF) is going to launch a USD 10 million Micro, Small and Medium Enterprise (MSME) funding scheme in Bangladesh.
- The project is aimed at boosting job creation, raising income and increasing investments in human capital, a statement said on Wednesday, reports BSS.
- The MSME funding scheme comes under the Economic Funding Window of SDF, which has earmarked an amount of USD 10 million to be disbursed under the MSME funding scheme in the country.
- The MSME loan will be extended to MSME specialised banks in Bangladesh.

<http://today.thefinancialexpress.com.bd/trade-market/sdf-to-launch-10m-msme-funding-in-bd-1547055434>  
<https://www.dhakatribune.com/business/2019/01/09/sdf-to-launch-10m-msme-funding-scheme-in-bangladesh>

### Bangladesh biggest textile machinery market for China

- Bangladesh will continue to grow as a major textile machinery market as local textile millers are expanding business riding on higher demand for garment items from international consumers, industry people said yesterday.
- Local fabrics makers, textile millers, spinners and garment manufacturers spend a few billions of dollars every year to buy machinery.
- According to the secretary general of the China Sewing Machinery Association, Chinese sewing machinery manufacturers exported equipment worth more than USD 1 billion to Bangladesh every year.
- This year 1,200 exhibitors from 37 countries are showcasing latest machinery in the textile and garment sectors at 1,650 booths set up at the venue. Last year, 1,100 exhibitors from 36 countries took part.

<https://www.thedailystar.net/business/news/bangladesh-biggest-textile-machinery-market-china-1685440>

### **Banks asked to build business centre vaults on their own**

- Bangladesh Bank has asked banks to ensure foolproof security of vaults at their business centres in rented houses by building vaults on their own instead of engaging owners of the houses in the process.
- The central bank issued the instruction on Tuesday as it came to know that many of the banks were asking owners of the rented houses to build vaults, raising fear that there might be lapse in maintaining security benchmarks.
- According to the BB instruction, vault is a very sensitive installation and its security must be maintained in line with the measures specified by the central bank.
- BB also asked banks to remove the vaults of such business centres on their own while shifting to another place.

<http://www.newagebd.net/article/61328/banks-asked-to-build-business-centre-vaults-on-their-own>

### **Recovery slow for feeble efforts**

- Banks have been able to recover less than a fourth of their written off loans in the last 15 years because of half-hearted effort on their part. Introduced in January 2003 with a view to putting the brakes on rising default loans, the Bangladesh Bank's (BB's) write-off policy has allowed banks to clean up their balance sheets artificially. But the initiative failed to bring any good for banks due to their lacklustre efforts to recover non-performing loans from defaulters, said, a former BB governor.
- Between January 2003 and September 2018, banks wrote off BDT 497.45 billion. As of September, BDT 378.66 billion, which is 76% of the sum, remained outstanding, according to data from the central bank. Default and written-off loans together stood at BDT 1.37 trillion as of September. The increase in both default and written-off loans is interrelated as the worst categories of debts mainly stem from banks' inability to recover funds from defaulters, he argued.
- The upward trend of written-off loans has created a severe situation in the financial sector as there is no visible effort to step up the recovery of troubled loans. On the contrary, the worst debts continue to mount. Banks' total written-off loans rose 5.23% year-on-year to BDT 378.66 billion at the end of September. Of the sum, state banks have written off BDT 181.11 billion and private banks BDT 184.68 billion. The written-off loans in the two state-run specialised banks -- Bangladesh Krishi Bank and Rajshahi Krishi Unnayan Bank -- were BDT 3.44 billion. Foreign banks wrote off BDT 9.44 billion.

<https://www.thedailystar.net/business/news/recovery-slow-feeble-efforts-1685032>

### **Bangladesh Bank seeks info on banks' overdue import bills**

- The central bank has sought information on overdue import bills up to December 31, 2018 from the commercial banks by January 13, as the amount of such bills stood at around USD 600 million.

- According to a senior official of the Bangladesh Bank (BB), BB sent letters to all foreign exchange dealer banks in this connection with a prescribed format to get the information immediately. BB will take the next course of action after receiving the information from the banks, he added.

<http://today.thefinancialexpress.com.bd/last-page/bb-seeks-info-on-banks-overdue-import-bills-1546970182>

<http://www.newagebd.net/article/61216/banks-asked-to-explain-import-bills-non-payment>

<https://www.thedailystar.net/business/news/bb-pushes-banks-clear-import-bills-1685014>

### **Bangladesh pays USD 1.15 billion to Asian Clearing Union (ACU) for November-December imports**

- Bangladesh has made a routine payment of USD 1.15 billion to the Asian Clearing Union (ACU) against imports during the November-December period of last calendar year.
- After the payment, the foreign exchange (forex) reserve fell to USD 31.01 billion on Tuesday from USD 32.09 billion on the previous working day, according to the central bank officials.
- The amount of ACU payment rose to USD 1.15 billion during the period under review from USD 1.13 billion earlier mainly due to higher imports from the ACU member countries particularly from India.

<http://today.thefinancialexpress.com.bd/trade-market/bd-pays-115b-to-acu-for-nov-dec-imports-1546969289>

### **Export earnings to be raised to USD 50 billion by 2021: Commerce Minister**

- Newly appointed Commerce Minister yesterday said highest emphasis would be given to raising the country's export earnings to USD 50 billion by 2021. He also said that they would work to fetch more foreign direct investment, ensure diversification of products, generate new employment and ensure region-wise development.
- He also added that there is already an export target of USD 50 billion where RMG will play the major role with its high growth. Pharmaceuticals are also doing well and they will work to fulfill their target.
- The commerce minister said that a new salary structure is going to be introduced this month and whenever there is any new thing, objections come.

<https://www.thedailystar.net/business/news/export-earnings-be-raised-50b-2021-tipu-munshi-1685029>

<https://www.dhakatribune.com/business/2019/01/08/tipu-munshi-export-earnings-50b-by-2021>

### **Government to focus more on energy sector**

- State Minister for Ministry of Power, Energy and Mineral Resources (MPEMR) said the government will pay more attention to developing the country's energy sector in the coming years.

- The government had concentrated its efforts more on developing the power sector in the previous years, he said. He opined that greater access to electricity will help develop the country's rural areas. The government will work to ensure democracy and rule of law (in the country), develop skilled manpower, and provide employment to the youths, he further said.

- He also laid emphasis on prompt decision making by the government officials to accelerate the pace of development. He said he will devise future plans for his ministry in the next three months, and then will go for implementing the same in the next four and a half years.

<http://today.thefinancialexpress.com.bd/last-page/govt-to-focus-more-on-energy-sector-1546970131>

### **BDT 8.90 billion investment plan to revamp Chhatak Cement Company**

- Chhatak Cement Company Limited incurred an accumulated loss of over BDT 3.63 billion in last five fiscal years from 2013-14 to 2017-18 mainly due to gradual erosion in production capacity with old, outdated machinery, officials said.

- They said ropeway, crusher, kiln, overhead crane and some other equipment and machinery are 60-80 years old, reducing substantially the production capacity on a regular basis and gradually intensifying the extent of its losses.

- Presently, the annual production capacity of the 80-year-old state-owned factory, a concern of Bangladesh Chemical Industries Corporation (BCIC), declined to only 70,000 metric tonnes.

<http://today.thefinancialexpress.com.bd/trade-market/BDT-890b-investment-plan-to-revamp-chhatak-cement-co-1546969263>

### **Government, World Bank sign USD 250 million credit deal today**

- The government and the World Bank (WB) are set to ink a USD 250 million financing agreement today (Wednesday) for implementing the 'First Programmatic Jobs Development Policy Credit'.

- The financing will be available as the first tranche of a proposed USD 750 million budgetary support under the 'Development Policy Credit (DPC)'.

- The remaining USD 500 million credit is expected to be disbursed in the next two financial years in two equal instalments, depending on fulfilment of the conditions set by the WB, officials said.

<http://today.thefinancialexpress.com.bd/first-page/govt-wb-sign-250m-credit-deal-today-1546969858>

### **Data consumption rises by 34% in July-November**

- Data consumption in the country increased by 34% in the July-November period of the current fiscal year (2018-19) due to growing use of internet for individual and business purposes.

- Besides, flourishing of local contents and online-centric services also helped attract more

internet users and bandwidth usage accordingly, said market experts. They also said increased online activities by the users in the run-up to the December 30 national polls were another reason for the rise in data consumption in the country in the period.

- According to Bangladesh Telecommunication Regulatory Commission data, international internet bandwidth consumption increased by 228 gigabits per second to 900Gbps at the end of November, 2018 from 672Gbps in June. Bandwidth consumption by the country's internet users was 411Gbps in June, 2017.

- As per the BTRC's latest data, people used 91.8 million connections through mobile and broadband internet as of November, 2018. Of the connections, 93.68% or 86 million were given by the mobile phone operators and the rest 6.32% or 5.78 million were given by the broadband internet service providers. The number of internet users in the country was 73.3 million at the end of June, 2017.

<http://www.newagebd.net/article/61215/data-consumption-rises-by-34pc-in-jul-nov>

### **Bangladesh set to be 24th largest economy in 2033**

- Bangladesh is set to become the 24th largest economy in the next 15 years, according to a new analysis by a UK-based research firm.

- The country, ranked 43rd in the globe in 2018 for its higher economic growth, may improve its position to 41st in the current year, said the Centre for Economics and Business Research (CEBR) in its World Economic League Table (WELT) 2019.

- According to the research firm, the size of the Bangladesh's economy (Gross Domestic Product) will reach USD 1.05 trillion at current prices in 2033 from the last year's size of USD 286 billion.

- The country has benefitted from a strong increase in remittances in the financial year ending 2018, after seeing declines in the previous two years, it said.

<https://www.thedailystar.net/business/banking/news/state-banks-cash-recovery-flatters-deceive-1683895>

<http://www.newagebd.net/article/61137/bangladesh-to-be-worlds-41st-largest-economy-in-2019-report>

### **Balance of Payment (BoP) deficit rises to USD 837 million in July-November**

- Bangladesh's overall balance of payment (BoP) recorded USD 837 million deficit during the July-November period of this fiscal year (FY), 2018-19, over the corresponding period of the previous fiscal.

- The overall deficit in BoP was USD 479 million during the same period of FY 2017-18, according to the central bank's data.

- Sharp fall in the country's financial account and capital account surplus were primarily responsible for the BoP widening.

- The volume of financial account surplus almost halved to nearly USD 2.06 billion during the first five months of the current fiscal from USD 4.09 billion in the matching period of last fiscal, the Bangladesh Bank (BB) data revealed.



- Besides, the amount of capital account surplus dropped to USD 49 million during July-November of FY 19 compared to USD 94 million in the same period of last FY, according to the BB figures.

- Meanwhile, the country's overall trade deficit narrowed down further to USD 6.66 billion during the first five months of the current fiscal.

- The trade deficit was nearly USD 7.61 billion during the July-November period of FY 18, the BB data showed.

<http://today.thefinancialexpress.com.bd/last-page/bop-deficit-rises-to-837m-in-july-nov-1546884018>

### Trade deficit narrows amid rise in exports

- Trade deficit narrowed 12% in the first five months of the fiscal year thanks to a rise in exports and a slowdown in imports.

- At the end of November, trade deficit stood at USD 6.65 billion, down from USD 7.60 billion a year earlier, according to the central bank's latest data.

- The development comes as a relief for the government, which has sufficient breathing space now to run the economy. Trade deficit hit an all-time high of USD 18.25 billion last fiscal year.

- While unveiling the monetary policy statement for the second half of 2018 the central bank projected that the trade gap may reach USD 22.19 billion by the end of the fiscal year, suggesting a stringent state of affairs for the country's macroeconomy.

<https://www.thedailystar.net/business/news/trade-deficit-narrows-amid-rise-exports-1684558>

### Bangladesh struggling to penetrate into Chinese drug market

- Bangladesh has failed to take advantage of China's removal of tariffs on 28 categories of imported drugs including all cancer medicines, although the country is doing well in terms of exports of pharmaceutical products.

- Industry insiders said it is not an easy task to export pharmaceutical products to China as like as other goods. Another reason they find that both Bangladesh and China are the competitors in the global market for pharmaceutical products.

- According to the director (commodities) at Export Promotion Bureau (EPB), only zero tariffs will not help raise the volume of exports of Bangladeshi pharmaceutical products to the Chinese market. There are a lot of non-tariff barriers too. It needs popularity so that physicians can trust and prescribe drugs for patients. There are also complexities in registering new products in a specific market, he added.

- Bangladesh's pharmaceutical exports were more than USD 100 million in the fiscal year 2017-18. The destination countries include United States and some European countries. The BDT 22-billion pharmaceutical market is currently meeting 98% demand of local market which was largely dependent on import until 80s.

<http://today.thefinancialexpress.com.bd/last-page/bd-struggling-to-penetrate-into-chinese-drug-market-1546883980>

### The new finance minister expects 8.5% GDP growth in FY19

- New Finance Minister have expressed optimism that the country's GDP growth rate in the current fiscal year (FY19) would reach 8.5%, exceeding the fiscal target of 7.8%.

- He said Bangladesh has achieved remarkable successes in the last 10 years and the country has attained 41st position among the largest economies in the world in 2019, up from the 43rd position last year, as per UK-based think tank "World Economic League Table." If the country improves maintaining this trend, Bangladesh will stand within the first 20 countries in 2041 as per the largest economy in the world and the top 20 countries are considered as developed countries, he added.

- The finance minister urged authorities concerned to come forward and take necessary reforms to bring non-performing loans (NPL) to a reasonable level.

- Referring to the on-going upward trend in the stock market, he said the national election has brought confidence to the people, taking the capital market to upward trend.

- He underscored the need for strengthening the bond market to collect long term investments of the business community. He also said Bangladesh should focus on increasing the country's tax to GDP ratio to accelerate the development activities.

<https://www.dhakatribune.com/business/economy/2019/01/07/mustafa-kamal-expects-8-5-gdp-growth-in-fy19>

### Textile has room for BDT 500.00 billion investment

- Bangladesh has the scope to invest a fresh BDT 500.00 billion in the primary textile sector (PTS) over the next five years as the demand for locally made fabrics has been rising in both the domestic and international markets.

- The government should supply energy and industrial land at a reasonable price so that the spinners and weavers feel encouraged to invest in the sector, said the president of Bangladesh Textile Mills Association (BTMA).

- Currently, the local spinners can supply 85% of the raw materials to the export-oriented knitwear sector and 35 to 40% to the woven sector.

- The newly-elected BTMA president is hopeful that local weavers can supply 60% of the requirement for woven fabrics in the next five years, which will also reduce the dependence on imports, especially from China and India.

<https://www.thedailystar.net/business/news/textile-has-room-BDT-50000cr-investment-1684543>

### Move on for cost-free remittance by expats

- A move is under way to facilitate sending of money back home free of cost by the Bangladeshi migrant workers. The government, not the migrant workers, will bear the cost

involved in sending money to family members back home.

- An official at the finance division said the move has been taken to raise inward remittance as they believe this will help encourage remitters to send money through formal channels instead of informal ones, including "hundi".
- It is estimated that BDT 5.0-7.0 billion annually may be required to bear the cost of remittance transfer. Under the move, the government may be required to allocate the amount in its annual national budget.
- However, remittance has rebounded in recent months, hitting at USD15.53 billion in the year 2018. Remittance jumped by nearly 15% or around USD2.0 billion in the 2018 calendar year, thanks to the depreciation of local currency against dollar.
- People familiar with the development said remittance inflows rose despite a falling trend in outbound jobs of Bangladeshis. An estimated 10 million Bangladeshi workers are employed in different countries and they remit USD15 billion, on an average, every year to help boost the foreign currency reserve.

<http://today.thefinancialexpress.com.bd/first-page/move-on-for-cost-free-remittance-by-expats-1546796044>

### **Bangladesh H1 exports to US jump 19% on US-China trade spat**

- Country's export earnings from the United States in the first half of the current financial year 2018-19 grew by nearly 19% as the ongoing trade tension between the US and China encouraged global garment retailers to increase their import orders to Bangladesh.
- According to the Export Promotion Bureau data, export of readymade garment products to US, the largest export destination for Bangladesh, in the July-December period of FY19 increased by 18.93% to USD3.09 billion from USD2.60 billion in the same period of FY18.
- Country's overall export earnings from the US, in the first six months of FY 19 grew by 18.97% to USD3.45 billion from USD2.90 billion in the same period of FY 18.

<http://www.newagebd.net/article/61040/bangladesh-h1-exports-to-us-jump-19pc-on-us-china-trade-spat>

### **Bangladesh trade deficit falls by 12% in July-November on rising exports**

- The country's trade deficit eased by 12.46% or USD0.95 billion in July-November of the current 2018-2019 fiscal year compared with that in the same period of the last fiscal year due mainly to a rise in export earnings.
- In July-November of 2018-2019, trade deficit stood at USD6.66 billion, down from USD7.61 billion in the same period of previous fiscal, showed the Bangladesh Bank data.
- It's the export earnings, especially in the readymade garment sector, which posted significant growth in the period thus narrowing down trade deficit of the country. Bangladesh received higher orders for readymade garment products from western buyers who shifted their orders to Bangladesh amid the ongoing trade war between the USA and China.

- In July-November of FY19, the country's export earnings grew by 16.75% to USD16.77 billion from USD14.37 billion in the first five months of FY18.

- Import payments grew by 6.64% year-on year to USD23.43 billion in the period from USD21.97 billion in the same period last fiscal year.

- Deficit in the overall balance, however, doubled to USD837 million in July-November of FY19 from that of USD479 million in the same period of FY18.

<http://www.newagebd.net/article/61037/bangladesh-trade-deficit-falls-by-12pc-in-july-nov-on-rising-exports>

### **State banks' cash recovery flatters to deceive**

- Despite the huge loan rescheduling spree, the four state-owned banks saw poor cash recovery from their top defaulters in the first nine months of 2018.
- Sonali, Janata, Agrani and Rupali banks recovered a total of BDT 13.08 billion from defaulters between January and September last year in contrast to the rescheduled amount of BDT 27.22 billion, according to data from the Bangladesh Bank.
- According to the managing director of Agrani, the tendency of taking stay order against the default loans is mostly to blame for the slow recovery. As of June 2018, the state-owned banks have BDT 463.66 billion tied up with cases with the money loan court. Many of the defaulters participated in the 11th parliamentary election by obtaining stay order against their default loans instead of paying back the amount. As a result, the banks could not recover much ahead of the polls, he added.

<https://www.thedailystar.net/business/banking/news/state-banks-cash-recovery-flatters-deceive-1683895>

### **ADP spending crawls to 27.4% in 6 months**

- In July-December, the government development budget implementing agencies could spend BDT 495.95 billion or 27.42% of the total ADP allocation of BDT 1808.69 billion for FY19.
- The agencies spent BDT 443.31 billion or 27.02% of total ADP in the same period of the last FY 2017-2018, according to data of the Implementation Monitoring and Evaluation Division of planning ministry.

- According to the outgoing planning minister, ADP spending became more than double in the year from BDT 237.95 billion in FY 2014-2015. The government will be able to implement the full ADP in the year if the overall situation remains stable and there are no natural calamities in the country, he added.

<http://www.newagebd.net/article/61045/adp-spending-crawls-to-274pc-in-6-months>

### **July-December export earnings up 14.42%**

- Export earnings from the country's merchandise shipments during the first half of the current fiscal year (FY) stood at USD 20.49 billion, marking a 14.42% growth over the corresponding period of the last fiscal.

- Exports of goods fetched USD 17.91 billion during the July-December period of the FY 2017-18.
- The export performance was 9.13% higher than the target set for this period.
- The single-month earnings grew by 2.18% to USD 3.42 billion in December last from USD 3.35 billion in 2017, according to the Export Promotion Bureau (EPB) data. The performance, however, fell short of the target, set for the month of December, by 3.49%.
- Earnings from export of readymade garments (RMG) during the July-December period of the current fiscal year increased by 15.65% to USD 17.08 billion from USD 14.77 billion in the corresponding period of last fiscal, according to the EPB data. Earnings also surpassed the target by 8.51%.

<http://today.thefinancialexpress.com.bd/public/first-page/jul-dec-export-earnings-up-1442pc-1546536890>  
<https://www.thedailystar.net/business/news/exports-rise-fall-short-target-1682728>  
<http://www.newagebd.net/article/60767/h1-export-earnings-top-target-with-205b>  
<https://www.dhakatribune.com/business/2019/01/03/export-earnings-post-14-42-growth-in-six-months-of-current-fy>

### Import payments rise by 9.1% in July-November

- Country's import payments rose by 9.12% in the July-November period of the current fiscal year (2018-2019) due mainly to a 59.59%- surge in payment against petroleum oils import.
- Bangladesh Bank officials said the import of fuel oils, crude and refined, rose due to an increased demand for the items in the newly established fuel-based power plants. Besides, high price of petroleum in the international market during the period was another reason for high import payment for petroleum oils, they said.
- According to Bangladesh Bank data, the country settled import payments worth USD 22.47 billion in July-November of FY19, which was USD 20.59 billion in the same period of FY18.

- Country's import payment growth in the five months of FY19 was higher than the growth in the same period of the previous fiscal year when import payment growth was 8.25%.

<http://www.newagebd.net/article/60867/import-payments-rise-by-912pc-in-jul-nov>

### Loan rescheduling soars 30%

- Loan rescheduling soared about 30% to BDT 109.63 billion in the first nine months of 2018, fuelling further fears for the sector.
- Six banks accounted for 62% of the total rescheduled loans between January and September last year, according to data from the Bangladesh Bank.
- Between 2012 and 2017, banks rescheduled loans amounting to BDT 895.15 billion. The rise in loan rescheduling in recent times has created extra pressure on the banking sector, analysts said.

- Bankers should change their mindset as many of them have offered loans to clients without verifying their actual business condition, said a former BB governor.

<https://www.thedailystar.net/business/banking/news/loan-rescheduling-soars-30pc-1682752>

### Transaction growth through mobile financial service falls

- Growth in transaction through mobile financial services slowed down in 2018 despite significant growth in active MFS accounts.
- As per the latest central bank data, daily average transaction through mobile financial services grew by 7.17% in November 2018 compared with the daily average transaction in January of the year, when growth rate was 16.7%.
- It shows that daily average transaction through MFS stood at BDT 10.51 billion in November 2018 against BDT 9.81 billion in January of the year.
- In January 2017, growth in daily average transaction value through MFS was 50.52% against the 47.7% growth in January of the previous year. Daily average transaction through MFS was BDT 8.40 billion in January 2017 against BDT 5.58 billion in January, 2016. The figure was BDT 3.78 billion in January 2015.
- On the other hand, the growth in active MFS accounts was 71.74% in January-November of 2018 against 25.5% growth during the entire 2017. The number of active MFS accounts stood at 35.6 million at the end of November this year against 20.7 million active accounts in January this year.

- High transaction cost along with lowering of transaction limit by the central bank to tackle digital hundi (an illegal form of remitting money in the country) are the major reasons behind the slowdown in transaction growth through MFS providers, officials of central bank said.

<http://www.newagebd.net/article/60943/transaction-growth-through-mobile-financial-service-falls>

### National Board of Revenue (NBR) cuts source tax in readymade garment (RMG) sector

- The tax at source in the export-oriented readymade garment sector has been reduced to 0.25% from the existing 0.6% to enhance the sector's competitive edge in the world market.
- Earlier on September 05 this year, the tax at source for RMG exports has been reduced to 0.6% from 1.0%.
- NBR Chairman said that the RMG factory owners have demanded of the government to give tax exemption facility to this sector in view of implementation of the new wage structure for the RMG workers.

<https://www.thedailystar.net/business/news/govt-mulls-power-export-winter-1681642>  
<https://www.thedailystar.net/business/news/source-tax-exports-cut-025pc-1682725>  
<http://www.newagebd.net/article/60768/source-tax-on-exports-cut-further-to-025pc>

### Bangladesh Investment Development Authority (BIDA) seeks nearly BDT 2.0



### **billion to build its headquarters**

- The Bangladesh Investment Development Authority (BIDA) has sought more than twice the funds it had originally asked for building its 12-storied headquarters (HQ). The BIDA has now proposed to complete the building construction work by December 2019.
- Besides, the country's investment promoter has also sought a total of eight and a half years time to complete construction of the HQ in Dhaka's Agargaon area.
- According to the revised DPP, the BIDA proposed to spend BDT 1.98 billion higher funds from its originally estimated cost of BDT 983.48 million.

<http://today.thefinancialexpress.com.bd/public/first-page/bida-seeks-nearly-BDT-20b-to-build-its-headquarters-1546622778>

### **Country's tax-GDP ratio not commensurate with state of development**

- The country's tax-GDP ratio continues to miss its target despite a fast-expanding economy.
- Policymakers and analysts across the globe use the tax-to-GDP ratio to compare tax receipts year on year. In most cases, they believe, taxes are related to economic activity. The ratio should stay relatively consistent. As the GDP grows, tax revenue should increase as well.
- The tax-GDP ratio in the year that ended on June 30 last was just 9.27%, down by 2.28% point from its original estimate. And it was also down by 1.06% point from the revised target of the same fiscal year (FY). However, FY 2018's tax-GDP ratio was slightly higher than previous year by approximately 0.3% point.

<http://today.thefinancialexpress.com.bd/public/first-page/countrys-tax-gdp-ratio-not-commensurate-with-state-of-development-1546622634>

### **Japanese firm to invest USD 10 million in Meghna economic zone**

- Japanese Sakata Inx is set to invest USD 10 million to establish a liquid ink manufacturing plant in the Meghna Industrial Economic Zone (MIEZ), a development that can reduce the country's import dependency of the product.
- At present, the packaging industry imports liquid ink worth about BDT 22.00 billion a year, according to executive chairman of Bangladesh Economic Zones Authority.
- The Osaka-based company is one of the leading printing ink manufacturers in the world and will be investing in the Bangladesh venture through its Indian subsidiary.
- The company, which signed the land lease agreement with the MIEZ yesterday, is aiming to go for commercial operations within 18 months, said the chairman of Sakata Inx (Bangladesh).
- Initially, the plant will churn out some 6,000 tonnes of liquid ink per year to meet the growing demand for the item, which is now being imported, the chairman of Sakata Inx (Bangladesh) said. The venture will create at least 100 jobs, he added.

<https://www.thedailystar.net/business/economy/news/japanese-firm-invest-10m-meghna-economic-zone-1682770>

### **Bangladesh Telecommunication Regulatory Commission (BTRC) revenue surges on 4G spectrum sales**

- The telecom regulator's revenues rose 58.51% year-on-year to BDT 64.45 billion in the last fiscal year, a four-year high backed by earnings from the sales of 4G spectrum.
- Bangladesh Telecommunication Regulatory Commission (BTRC) raked in BDT 40.66 billion in 2016-17 and BDT 42.08 billion in 2015-16.
- More than half of the revenue, or BDT 35.21 billion, came from the spectrum sales to mobile phone operators in February last year.
- In 2017-18, the telecom regulator earned BDT 25.02 billion in revenue shared by all telecom service providers, the second largest contributor to the earnings of the BTRC. It was BDT 26.49 billion in 2016-17.

<https://www.thedailystar.net/business/news/btrc-revenue-surges-4g-spectrum-sales-1682740>

<http://www.newagebd.net/article/60769/govt-earnings-from-telecom-operators-revenue-sharing-drop-in-fy18>

### **Sonali's operating profits rocket**

- Sonali Bank's operating profits soared in 2018 thanks to recovery of huge amounts of bad debts and lending to the call money market.
- The state-run lender logged in operating profits of BDT 20.59 billion, up 72.20% from a year earlier, according to the progress report it forwarded to the banking division last week.
- According to its managing director Sonali had conducted a special drive for loan recovery last year that helped the bank to manage the large profit.
- The bank recovered a total of BDT 36.68 billion from its classified loans, of which the cash recovery was more than BDT 10.00 billion. About BDT 250.00 million was recovered from their written off loans amounting to BDT 71.88 billion.
- The managing director also said that the bank will lay the highest emphasis on recovery of loans that are stuck with court cases. Besides, the state-run lender bagged a good amount of profit by lending to the call-money market last year, when the majority of the private banks faced a liquidity crunch.

<https://www.thedailystar.net/business/news/sonalis-operating-profits-rocket-1683622>  
**BBS Cable's IPO project to start operation Jan 12**

- Initial public offering (IPO) funded project of BBS Cables is set to start commercial operation from Saturday next which will enhance 37% production capacity, officials said.
- The company informed that it has imported capital machinery by utilizing IPO proceeds and the company is planning to start the commercial production from the new machinery with effect from January 12 (Saturday), said a disclosure posted on the Dhaka Stock

Exchange (DSE) website on Wednesday.

- The cable manufacturer raised BDT 200 million from the public by issuing 20 million ordinary shares using the fixed price method in May 2017 for acquisition of plant and machinery, partial repayment of bank loans and IPO expenses.

- The current installed annual production capacity of the company is 16,600 MT as on June 30, 2018 as a result of installing the new machineries, the annual production will increase by 37% (6,100 MT) that will stand up to 22,700 MT (approx.) annually, the value of which is about BDT 12 billion approximately, said the disclosure.

<http://today.thefinancialexpress.com.bd/stock-corporate/bbs-cables-ipo-project-to-start-operation-jan-12-1547055102>  
<https://www.thedailystar.net/business/news/bbs-cables-raise-production-capacity-1685434>

### **3 pharma companies to get authorised economic operators' (AEO) licences this month**

- National Board of Revenue is set to issue authorised economic operators' licence to three local pharmaceutical companies recognising them as trusted traders in import-export procedures.

- The three companies are Square Pharmaceuticals Ltd, Beximco Pharmaceuticals Ltd and Incepta Pharmaceuticals Ltd which will enjoy a set of benefits including quick release of import-export consignments from ports without physical examination by customs authorities.

- AEO scheme will initially be run on a pilot basis for six months and then will become fully operational based on experiences.

- NBR has introduced the system to facilitate international trade and ease of doing business by trusted traders.

<http://www.newagebd.net/article/61213/3-pharma-cos-to-get-aeo-licences-this-month>  
<https://www.thedailystar.net/business/news/three-pharmas-enjoy-quicker-port-clearance-1685023>

## **Important News: Capital Market**

### **More IPOs needed**

- There are 61 merchant banks in the country but they were able to collectively bring in only 14 companies in the capital market last year, widening the gap between demand and supply of stocks.

- This meant it took an average 4.35 merchant banks to introduce one single IPO (initial public offering) in the stockmarket.

- The 14 companies raised BDT 6.01 billion in total by offloading shares to the public and institutions, up 141% from that the previous year when eight companies raised BDT 2.49 billion.

- According to a senior official of the Bangladesh Securities and Exchange Commission (BSEC), the BSEC had allowed many merchant banks to operate in order to increase the supply of stocks through the IPOs of shares of different companies.

- Listing of new companies, however, grew year-on-year in 2018 but the number is still lower compared to previous years because of lower-than-expected performance of merchant banks.

<https://www.thedailystar.net/business/news/more-ipos-needed-1684555>

### **BRAC Bank signed agreement with bKash to allow money transfer between bank account and bKash account**

- BRAC Bank & bKash sign agreement for fund transfer facility between BRAC Bank account & bKash account. Under this agreement, the valued customers of BRAC Bank will be able to transfer fund from their BRAC Bank accounts to bKash account while bKash customers will be able to transfer fund from their bKash account to any BRAC Bank account.

- BRAC Bank customers will use different Alternate Banking Channel (e.g. Internet Banking or mobile apps) of BRAC Bank. bKash customers will use bKash app or USSD channel to send money to BRAC Bank account from their bKash account. The customers of BRAC Bank and bKash will be able to avail this new fund transfer facility soon.

### **12 banks become shareholders of bourses' clearing company**

- Twelve banks have become shareholders of Central Counterparty Bangladesh Limited, a proposed clearing and settlement company of Dhaka and Chittagong stock exchanges.

- The company will settle trading activities, which will reduce settlement risk, provide trading anonymity and make the settlement operations more efficient.

- The 12 banks are: Mutual Trust Bank, Agrani Bank, Prime Bank, Mercantile Bank, Modhumoti Bank, NRB Bank, National Bank, National Credit and Commerce Bank, NRB Global Bank, Rupali Bank, Social Islami Bank and Standard Bank.

- The company would allocate 15% of its shares worth BDT 450.00 million to the banks — equal number of shares to each bank. Each bank will be allocated 0.38 million shares worth BDT 37.5 million.

<http://www.newagebd.net/article/60869/12-banks-become-shareholders-of-bourses-clearing-company>

### **Government's revenue from Dhaka Stock Exchange (DSE) dives 25%**

- The government's revenue earnings from the premier bourse declined about 25% in the first six months of the current fiscal year (FY), 2018-19, compared to the same period of the previous fiscal.

- Lower turnover amid bearish trend in the capital market throughout the six months contributed to the fall in the revenue collection.

- The revenue comes from share transactions and the capital gains on stock sales and

transfer of shares by sponsor-directors.

- In the first six months of the FY 2018-19, the Dhaka Stock Exchange (DSE) deposited over BDT 1.06 billion to the government's exchequer, down from BDT 1.42 billion collected during July-December, 2017-18. Of the total amount of BDT 1.06 billion collected during July-December of FY 2018-19, over BDT 780.92 million came from brokers' commission charged on share transactions.

<http://today.thefinancialexpress.com.bd/public/stock-corporate/govts-revenue-from-dse-dives-25pc-1546531320>  
<http://www.newagebd.net/article/60665/govts-tax-collection-from-dse-drops-by-2442pc-in-jul-dec>

### **56,448 new beneficiary owner (BO) accounts opened in 2018**

- As many as 56,448 new beneficiary owner (BO) accounts were opened in 2018, bringing the total number to 2,778,796, according to Central Depository Bangladesh Limited (CDBL).
- Stakeholders of the market said investors usually open new BO accounts to buy initial public offering (IPO) shares. An insignificant portion of new BO account holders is typically involved in the secondary market.
- An abnormal surge in the share prices of newly listed companies last year, after their debuts at the stock exchanges, encouraged people to open new BO accounts.

<https://www.dhakatribune.com/business/stock/2019/01/05/56-448-new-bo-accounts-opened-in-2018>

### **Japanese company wants to subscribe for 11.1 million shares in JMI Syringes**

- A Japanese company has shown 'keen' interest to subscribe for a substantial amount of shares in the JMI Syringes & Medical Devices, a listed company.
- The NIPRO Corporation of Japan is willing to subscribe for 11,100,000 ordinary shares, according to a disclosure posted on the website of the Dhaka Stock Exchange (DSE).
- The board of JMI Syringes has recommended the proposed subscription by NIPRO Corporation, subject to consent of the shareholders, the securities regulator and all other relevant regulatory bodies.
- The paid-up capital of JMI Syringes will be raised through issuing 11,100,000 ordinary shares, subject to consent of the shareholders, Bangladesh Stock Exchange Commission (BSEC) and all other relevant regulatory bodies.

<http://today.thefinancialexpress.com.bd/public/stock-corporate/japanese-co-wants-to-subscribe-for-111m-shares-in-jmi-syringes-1546531377>

### **JMI Syringes net profit growth moderates**

- JMI Syringes & Medical Devices has witnessed a moderate growth in turnover and net profit, among others, for the year ended on June 30, 2018 compared to the same period of the previous fiscal year.

- For the fiscal year (FY) 2017-18, the company reported gross turnover of above BDT 1.57 billion (157 crore), 5.52% higher than the gross turnover of the previous FY.

- Following the company's efforts towards improving quality system, the company's earnings per share (EPS) and net asset value (NAV) also rose for the FY 2017-18.

- The NIPRO Corporation of Japan has shown 'keen' interest in subscribing for a substantial amount of shares in the JMI Syringes & Medical Devices. The NIPRO Corporation is willing to subscribe for 11.10 million ordinary shares, according to a disclosure posted on the website of the Dhaka Stock Exchange (DSE). The proposal of Japan is supposed to be implemented in line with the approval of the shareholders, the Bangladesh Securities and Exchange Commission (BSEC) and all other relevant regulatory bodies.

- According to the annual report, the operating profit of JMI Syringes & Medical Devices stood above BDT 261.54 million for the FY 2017-18 against over BDT 257.02 million calculated for the previous FY. For the FY 2017-18, the company's net profit rose 1.26% to close above BDT 75.49 million from over BDT 74.55 million in the previous FY. The earnings per share (EPS) stood at BDT 6.86 for the FY 2017-18 against BDT 6.78 for the previous FY. The company's net asset value (NAV) per share rose 5.37% to close at BDT 71.27 for the year ended on June 30, 2018 compared to the same period of the previous year.

<http://today.thefinancialexpress.com.bd/stock-corporate/jmi-syringes-net-profit-growth-moderates-1546701118>

### **Esquire Knit initial public offering (IPO) opens tomorrow**

- The initial public offering (IPO) of Esquire Knit Composite opens tomorrow (January 06) for public subscription, aiming to raise a capital of over BDT 562 million. The subscription period ends on January 20, 2019.
- The company is going to raise a total capital of BDT 1.50 billion through issuing 34.89 million ordinary shares under the book-building method.
- Of the total shares, 60% or 20.83 million shares (worth BDT 937 million) are reserved for eligible investors at a cut-off price. The remaining shares are offered for public subscription.
- The cut-off price of Esquire Knit share was fixed at BDT 45 each on July 14 last year by the institutional investors through bidding.
- The remaining 40% or 14.06 million shares will be available for the individual investors, including affected small investors and non-resident Bangladeshis.
- The general investors will get IPO shares at 10% discount on the cut-off price, meaning they will get each share of the company at BDT 40.
- The proceeds will be used to buy machinery, construct buildings and meet the IPO expenses.

<http://today.thefinancialexpress.com.bd/public/stock-corporate/esquire-knit-ipo-opens-tomorrow-1546618755>  
<https://www.dhakatribune.com/business/stock/2019/01/05/ipo-subscription-of-esquire-knit>

[composite-begins-today](#)

<http://today.thefinancialexpress.com.bd/stock-corporate/sinobangla-moves-to-raise-production-capacity-1546701182>

### Walton holds IPO road show on January 15

- Walton Hi-Tech Industries Limited (WHIL) will hold a road show for eligible institutional investors on January 15 as the company intends to go public, according to a statement.
- The road show will be held at 6:30 pm at Walton Corporate Office at Bashudhara Residential Area's Plot No. 1088, Block-I, Sabrina Sobhan 5th Avenue under Vatara in the capital.
- Eligible institutional investors will get detailed information about the company as per the rules of Public Issue 2015 of the Bangladesh Securities and Exchange Commission.
- The electronics manufacturer aims to collect BDT 1.0 billion from the capital market through initial public offering using the book building method for the purpose of factory expansion, modernisation, research and development, repaying partial bank loans and meeting initial public offering (IPO) expenses.
- As of the July to September period of the current fiscal year 2018-19, the company registered its EPS (Earnings Per Share) and NAV (Net Asset Value) at BDT 10.41 and BDT 208 respectively.
- Currently, the authorised and paid-up capital of the company are BDT 6.0 billion and BDT 3.0 billion respectively.
- AAA Finance and Investment Limited has been appointed as the issue manager of the company and Prime Bank Investment Limited has been appointed as the registrar.

<http://today.thefinancialexpress.com.bd/stock-corporate/walton-holds-ipo-road-show-on-jan-15-1546703682>

<https://www.dhakatribune.com/business/2019/01/05/road-show-walton-to-collect-BDT-100-crore-from-capital-market>

### Sinobangla moves to raise production capacity

- Sinobangla Industries has taken a initiative to enhance its production capacity by about 150 tonnes per month. Two floors of the factory will also be upgraded to have clean room facilities.
- The total estimated cost of the expansion would be about BDT . 150 million, which will be financed with funds partially from its internal source as well as bank loans.
- To achieve additional production, the board decided to procure capital machinery. Apart from the equipment, a few other ancillary equipment/accessories would also be produced and investment would be made for upgrading two floors of the factory to the level of clean room facilities.
- Sinobangla Industries, presently an 'A' category company, was listed with the stock exchanges in 1999. The company's sponsor-directors hold 30.61% shares, institutes 6.25%, foreign shareholders 9.58% and general shareholders 53.56% as of November 30, 2018.