

Weekly Market Update

Capital Market Overview

The market closed negative this week. The benchmark index DSEX (-1.53%) lost 81.79 points and closed the week at 5,251.02 points. The blue-chip index DS30 (-1.00%) lost 18.71 points and stood at 1,8643.78 points. The shariah based index DSES (-1.42%) lost 17.41 points and stood at 1,206.79 points. DSEX, DS30 and DSES all posted negative YTD return of 15.91%, 19.25%, and 13.22% respectively.

Total Turnover During The Week (DSE) : BDT 25.5 billion (USD 307.4 million)

Average Daily Turnover Value (ADTV): BDT 5.0 billion (Δ% Week: -14.9%)

Market P/E: 16.52x

Market P/B: 2.10x

Daily Index Movement during the Week:

The market performed five sessions during this week. Market opened this week with a negative movement of 0.50% in the first session and continued to be negative in the second session, third session, fourth session, and fifth session respectively by 0.20%, 0.38%, 0.19% and 0.28%.

Sectoral Performance:

- Financial sectors showed mixed performance this week. Banks experienced highest loss by 2.18% followed by NBFIs (-1.27%) and Mutual Fund (-1.21%). Life Insurance posted the highest gain by 3.75% followed by General Insurance (+3.20%).
- All the non-financial sectors showed negative performance this week except Food & Allied (3.41%). Telecommunication experienced the highest loss by 1.74% followed by Pharmaceuticals (-1.51%), Engineering (-1.41%) and Power (-0.80%).

Macroeconomic arena:

- Bangladesh Bank announced guidelines for the scheduled banks on payment of cash incentives to their clients against their export of nine new products selected by government in September this year. Exporters of nine new products including pharmaceuticals, photovoltaic modules, motorcycles, chemical products, etc. would get 10% cash incentive against the net freight on board prices in the current year.
- Firms making goods and providing services from hi-tech parks will not have to pay income tax in the first seven years of their operations, up from three years previously. After that 70% of the tax will be waived in the next three years, according to the National Board of Revenue (NBR).
- None of the state-owned banks (SoBs) and financial institutions have displayed the list of top loan defaulters on their notice boards and posted the same on websites, defying a directive of the ministry of finance (MoF). Some bankers argued public display of the list is not possible since big loan defaulters may file defamation cases against them.
- Overall shortfall in provisioning against loans in the country's banking system swelled by over 20% or BDT 13.60 billion during the first nine months of the year. The total amount of provisioning shortfall rose to BDT 81.27 billion as on September 30 from BDT 67.67 billion nine months ago.

Stock Market arena:

- The securities regulator has ordered Pacific Denims to refund IPO fund above BDT 209.80 million, which was 'misused' in the name of constructing building, into the company account. Auditors who were appointed by regulators concluded that the company did not repay bank loans within stipulated timeframe mentioned in the IPO prospectus.
- MJL Bangladesh has exhibited a steady growth in revenue earnings and dividend disbursement, among others, in last five consecutive years as the company has reported a consolidated net profit of above BDT 2.29 billion for current year, which was 7.0% higher than the revenues calculated in previous year.
- Foreign investors' selling spree continued in November in anticipation of political tension ahead of the upcoming national election. Last month, they purchased shares worth BDT 3.24 billion and sold shares worth BDT 3.46 billion, meaning the net investment was BDT 225.1 million in the negative.

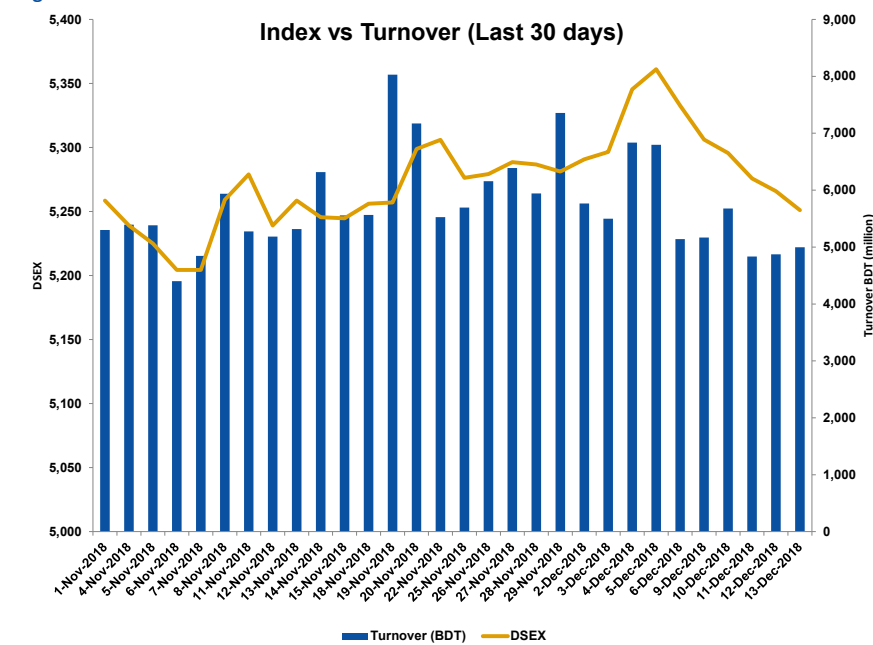
Table 1: Index

Index	Closing	Opening	Δ(Pts)	31-Dec-2016	Δ% Week	Δ%YTD
DSEX	5,251.02	5,332.81	-81.79	6,244.52	-1.53%	-15.91%
DS30	1,843.78	1,862.49	-18.71	2,283.23	-1.00%	-19.25%
DSES	1,206.79	1,224.20	-17.41	1,390.67	-1.42%	-13.22%

Table 2: Market Statistics

		This Week	Last Week	%Change
Mcap	Mn BDT	19,075,082.9	19,153,996.8	-0.4%
	Mn USD	229,460.9	230,410.2	
Turnover	Mn BDT	25,550.2	30,035.3	-14.9%
	Mn USD	307.4	361.3	
Average Daily Turnover	Mn BDT	5,110.0	6,007.1	-14.9%
	Mn USD	61.5	72.3	
Volume	Mn Shares	600.9	923.8	-35.0%

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
Paramount Insurance	18.70	14.20	31.7%	591.7	115.87	20.9x	1.5x
JMI Syringes & Medical Devices Ltd	255	200.90	27.0%	2,807.2	652.34	37.6x	3.9x
Eastern Cables	273.80	222.10	23.3%	6,571.2	105.65	230.1x	9.0x
Rupali Life Insurance Co. Ltd.	85.30	72.70	17.3%	2,460.8	417.09	NM	8.5x
Jute Spinners	134.60	117.00	15.0%	228.8	14.02	NM	NM
Anlima Yarn	39.50	34.60	14.2%	705.8	273.70	70.5x	3.6x
Sunlife Insurance Company Limited	26.10	22.90	14.0%	933.4	67.58	NM	2.6x
Alltex Ind. Ltd.	12.60	11.10	13.5%	705.2	69.49	NM	0.5x
Meghna Life Insurance	77.00	67.90	13.4%	2,581.2	470.03	NM	7.7x
Global Insurance Ltd.	14.00	12.60	11.1%	514.9	12.75	28.4x	1.2x

Table 4: Top Ten Losers

Company Name	Close	Open	Δ%	Mcap (mn BDT)	Vol (mn BDT)	P/E	P/B
Information Services Network Ltd.	28.40	43.40	-34.6%	322.5	7.46	NM	2.0x
M.L. Dyeing Limited	36.20	45.60	-20.6%	6,968.2	351.93	31.4x	1.8x
Indo-Bangla Pharmaceuticals Limited	33.80	41.60	-18.8%	3,457.7	378.29	58.6x	2.8x
Dragon Sweater & Spinning Ltd.	20.80	25.50	-18.4%	2,750.8	432.06	18.9x	1.5x
Monno Jute Staffers	1,433.70	1,692.80	-15.3%	2,967.8	33.58	13016.5x	79.4x
Pacific Denims Limited	15.60	18.10	-13.8%	2,260.8	160.92	16.9x	1.1x
Keya Cosmetics	6.90	8.00	-13.8%	7,606.0	111.16	4.5x	0.6x
Silva Pharmaceuticals Limited	31.20	36.10	-13.6%	4,056.0	219.74	50.5x	2.0x
Kattali Textile Limited	27.00	31.00	-12.9%	2,643.3	356.17	24.7x	1.6x
Glaxo Smithkline	1,434.20	1,645.70	-12.9%	17,277.0	82.18	26.8x	6.7x

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	292.80	291.90	0.3%	140,276.7	721.38	33.6x	12.2x
Square Pharmaceuticals	247.90	253.60	-2.2%	195,595.2	691.38	18.4x	4.1x
JMI Syringes & Medical Devices Ltd	255.20	200.90	27.0%	2,807.2	652.34	37.6x	3.9x
Wata Chemicals Limited	496.60	478.20	3.8%	5,888.7	650.67	164.3x	8.9x
SK Trims & Industries Limited	47.20	47.20	0.0%	3,304.0	546.39	62.3x	4.1x
VFS Thread Dyeing Limited	60.10	58.20	3.3%	5,600.5	537.06	39.7x	3.6x
National Tea	896.30	817.90	9.6%	5,915.6	515.89	74.5x	6.2x
Khulna Power Company Limited	55.90	61.80	-9.5%	22,215.4	512.85	12.1x	2.4x
Pharma Aids	619.80	603.90	2.6%	1,933.8	488.80	65.4x	14.6x
Sonali Aansh	708.60	730.80	-3.0%	1,921.7	483.78	429.9x	3.2x

Table 8: Most Appreciated YTD in BRAC EPL Universe

Top 10 Most Appreciated Stocks	Close	Δ% YTD	Mcap (mn BDT)	P/E
Berger Paints	1,343.50	30.25%	62,308.7	30.8x
Mutual Trust Bank	34.50	10.89%	19,781.0	13.5x
Marico Bangladesh Limited	1,215.10	9.85%	38,275.7	26.6x
Singer Bangladesh	214.70	9.82%	16,466.3	30.1x
Summit Power	38.80	8.08%	41,433.6	9.5x
Delta Life Insurance	109.60	1.86%	13,563.0	NM
Atlas Bangladesh	120.70	1.04%	3,998.4	NM
BATBC	3,398.50	-0.09%	203,910.0	26.9x
Prime Islami Life Ins	54.30	-1.09%	1,657.2	NM
Padma Oil Co.	233.10	-2.47%	22,898.1	11.3x

Table 6: Sector Indices

Sector Name	Week Close	Week Open	Year Open	%Δ Week	%Δ YTD
Banks	1371.32	1401.94	1848.21	-2.18%	-25.80%
NBFIs	2038.72	2064.87	2714.85	-1.27%	-24.90%
Mutual Funds	627.24	634.91	788.81	-1.21%	-20.48%
General Insurance	1447.71	1402.20	1592.30	3.25%	-9.08%
Life Insurance	2077.68	2003.49	1834.85	3.70%	13.23%
Telecommunication	4931.89	5019.09	6494.31	-1.74%	-24.06%
Pharmaceuticals	2665.50	2706.46	2821.05	-1.51%	-5.51%
Fuel & Power	1723.68	1737.50	1527.27	-0.80%	12.86%
Cement	1677.77	1661.68	2280.58	0.97%	-26.43%
Services & Real Estate	1001.67	1029.40	1224.11	-2.69%	-18.17%
Engineering	2891.18	2932.54	3166.83	-1.41%	-8.70%
Food & Allied	14633.14	14149.98	15304.34	3.41%	-4.39%
IT	1487.24	1551.34	1484.41	-4.13%	0.19%
Textiles	1466.29	1555.89	1222.72	-5.76%	19.92%
Paper & Printing	9400.96	9968.51	1013.11	-5.69%	827.93%
Tannery	2570.62	2587.60	2642.41	-0.66%	-2.72%
Jute	22306.36	21432.51	8867.22	4.08%	151.56%
Ceramics	573.42	607.04	597.46	-5.54%	-4.02%
Miscellaneous	1910.51	1909.17	1725.62	0.07%	10.71%

Table 7: Sector Trading Matrix

Sector Name	Daily average this Week	Daily average last week	% Change	% of Total Turnover	PE	PB
Banks	254.0	316.6	-19.77%	5.15%	8.8x	1.0x
NBFIs	159.2	307.4	-48.21%	3.23%	19.5x	2.0x
Mutual Funds	24.8	20.7	19.70%	0.50%	NM	0.5x
General Insurance	118.5	72.9	62.66%	2.40%	13.2x	1.0x
Life Insurance	306.1	148.2	106.63%	6.21%	NM	8.6x
Telecommunication	40.6	37.6	7.83%	0.82%	21.7x	16.0x
Pharmaceuticals	1,085.6	1,020.4	6.39%	22.01%	20.0x	3.2x
Fuel & Power	402.4	433.0	-7.08%	8.16%	14.6x	2.3x
Cement	63.2	74.7	-15.44%	1.28%	18.8x	3.1x
Services & Real Estate	44.3	78.2	-43.34%	0.90%	25.3x	0.8x
Engineering	480.6	652.9	-26.39%	9.74%	22.4x	2.1x
Food & Allied	273.9	211.7	29.35%	5.55%	29.7x	10.3x
IT	130.7	233.7	-44.08%	2.65%	28.7x	3.0x
Textiles	1,005.1	1,626.3	-38.20%	20.38%	22.5x	1.2x
Paper & Printing	24.3	37.2	-34.77%	0.49%	NM	5.1x
Tannery	55.8	121.1	-53.96%	1.13%	19.6x	3.1x
Jute	106.6	99.5	7.13%	2.16%	NM	9.5x
Ceramics	39.6	53.8	-26.53%	0.80%	27.7x	2.1x
Miscellaneous	316.8	309.5	2.37%	6.42%	27.4x	1.2x

Table 9: Least Appreciated YTD in BRAC EPL Universe

Top 10 Least Appreciated Stocks	Close	Δ% YTD	Mcap (mn BDT)	P/E
AB Bank	11.40	-48.42%	8,642.7	5.7x
United Airways (BD) Ltd.	2.70	-41.91%	2,235.9	11.5x
EXIM Bank	10.40	-39.53%	14,687.4	5.0x
IFIC Bank	10.30	-39.34%	13,789.0	8.7x
City Bank	30.20	-37.26%	29,233.2	7.2x
Lafarge Surma Cement	43.90	-37.20%	50,984.3	22.9x
Islami Bank	23.60	-35.52%	37,995.8	8.5x
Rupali Bank	34.90	-34.63%	13,140.4	NM
International Leasing	13.30	-32.60%	2,809.6	22.3x
Eastern Bank	35.00	-31.51%	25,830.0	9.5x

Important News: Business & Economy

Trade deficit falls by 8% in July-October

- Country's trade deficit eased by 8 % in the July-October period of the current fiscal year of 2018-2019 compared with that in the same period of last fiscal year of 2017-2018 due mainly to a rise in export earnings.
- According to Bangladesh Bank data released on Wednesday, trade deficit stood at USD5.32 billion in the first four months of FY19 from that of USD5.78 billion in the same period of FY18.
- Country's export earnings witnessed a comparatively better growth in the period as 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-October this year, the country's export earnings grew by 18.08% to USD13.40 billion from that of USD11.35 billion in the same period of last year. Import payments grew by 9.28% year-on year to USD18.73 billion in the period.
- Deficit in the overall balance, however, doubled to USD444 million in July-October this year from that of USD222 million in the same period of last year.
- Former Bangladesh Bank governor said "The overall balance deficit increased as foreign fund flows particularly FDI, foreign loans and grants in financial accounts declined as donors became more cautious about quality of projects".

<http://www.newagebd.net/article/58743/trade-deficit-falls-by-8pc-in-jul-oct>

Trade payment delays taint country's image

- Bangladesh's image abroad is being "very badly" affected for some commercial banks, which delay in clearing payments against letter of credit despite having no issues, said ICCB President. "We at ICC Bangladesh quite frequently receive complaints from foreign banks of L/C terms not being honored and payments not being made on time," he added.
- As per an ICC 2017 survey, the major challenges facing businesses today are cost control, limited technical competency, limitations of current technology, poor productivity management and limited training and development, he said.
- The banking sector had lost BDT 225.02 billion in the past decade through major scams. Therefore, the loss per year is BDT 22.50 billion and per day—when 260 working days a year is taken into consideration—is BDT 86 million, he said.
- He blamed a lack of good governance and pressure from vested groups as the main reasons for such scams and urged the central bank to take remedial measures.

<https://www.thedailystar.net/business/news/trade-payment-delays-taint-countrys-image-1672966>

<http://today.thefinancialexpress.com.bd/trade-market/delay-in-settling-export-import-payments-tarnishing-bds-image-iccb-president-1544636576>

<http://www.newagebd.net/article/58747/non-payment-money-against-lcs-tarnishing-countrys-image-iccb>

Bangladesh Bank: 10% value addition mandatory to become eligible for export subsidy

- At least 30% local value addition is mandatory to become eligible for export subsidy against the export proceeds of nine products, Bangladesh Bank (BB) said in an official circular on Tuesday.
- The nine new products are pharmaceutical items, photo voltaic modules, motorcycles, chemicals (chlorine, hydrochloric acid, caustic soda and hydrogen peroxide), razors and razor blades, ceramic items, caps, crabs, eels (both frozen and soft cell, subject to clearance approval from environment and forest departments) and galvanized sheets and coils.
- The conditions in the circular mention that the products' local value addition rate must be minimum 30%, and applicants cannot avail export subsidy and duty drawback simultaneously. It also states that if one gets export subsidy without following the official guidelines, then the paid subsidy will be deducted from the deposited bank account.
- The BB announcement increases the total number of products with export subsidy to 35 from 26.
- The new 10% export subsidy can be availed for products that were exported from July 1 in the current fiscal year to June 30, 2019. Officials at Bangladesh Bank said the value addition criteria of 30% is also applicable for 26 other products enjoying subsidy.

<https://www.dhakatribune.com/business/2018/12/13/bb-10-value-addition-mandatory-to-become-eligible-for-export-subsidy>

Association of Bankers Bangladesh (ABB) defends bankers over rising defaulted loans in banks

- Association of Bankers, Bangladesh on Wednesday said that the bankers should not only to be blamed for the rising non-performing loans in the country's banking sector.
- 'Bankers may make mistake in risk assessment before giving loans but the whole ecosystem including loan payment culture, economic reality and case settlement process should be considered for rising NPLs,' ABB chairman said.
- Amid severe criticism over the huge amount of default loans amassing and burdening the economy, top bankers on Wednesday claimed to have worked hard to develop the banking sector but do not get enough credit for it.
- ABB arranged the briefing at the Hotel InterContinental Dhaka four days after the CPD report revealed that BDT 225.00 billion were plundered from the country's banks in 10 major scams and irregularities in last 10 years.

<http://www.newagebd.net/article/58746/abb-defends-bankers-over-rising-defaulted-loans-in-banks>

<https://www.dhakatribune.com/business/banks/2018/12/13/bankers-we-are-not-villains>

Mitsubishi's subsidiary may set up factory in Bangladesh

- Setsuyo Astec Corporation, a subsidiary of Mitsubishi Electric Corporation, is considering to set up its factory in Bangladesh as the wages here is the lowest among the Asian and Oceania countries.

- The production cost in Bangladesh is the lowest in the region and the country has been moving ahead with the efforts to set up power, traffic, building and other social infrastructures in recent years. The country's expectations are also high as it has achieved even greater growth in the textile industry.

- Chief Representative of the corporation's Bangladesh office said Bangladesh's economy is moving forward with a higher speed than the other neighboring countries, so Setsuyo Astec Corporation recently launched its representative office in the country to strengthen market survey, information collection and such other capabilities.

- Now Setsuyo is investing in the marketing and research, but it has a plan to open factory in the country as per the demand and development. "We have factories in different countries, including China and India. Now, we are considering setting up factory in Bangladesh due to lots of potentialities in the market," he added.

- As per a study of Japan External Trade Organization (JETRO), about 70 % of the Japanese companies in Bangladesh want to expand their business in the next one to two years as their confidence has improved.

<http://today.thefinancialexpress.com.bd/trade-market/mitsubishis-subsidiary-may-set-up-factory-in-bd-1544636849>

Government revises down gold import duty

- The government revised downward on Wednesday the import duty on gold to BDT 2000 per bhoori from existing BDT 3000, officials said.

- The existing 5.0 % VAT (value added tax), however, will remain unchanged

- It also decided to hold an auction of gold deposited in the central bank's vault soon. The auction has remained suspended for a decade, according to officials.

- In October this year, the government framed the country's first ever Gold Policy-2018, allowing authorized dealers to import gold bars and ornaments, said the officials.

- According to commerce ministry officials, the country's annual demand for gold is between 20 tons and 40 tons. But nearly 80 % of demand is met by smuggled gold while the remaining demand by recycled one, they said.

<http://today.thefinancialexpress.com.bd/trade-market/govt-revises-down-gold-import-duty-1544636829>

National Board of Revenue (NBR) against tax waiver for SIMs used in Mobile Number Portability (MNP) service

- The revenue board has strongly opposed the government's decision to waive the tax on SIMs used in MNP service.

- Reduction of SIM tax for mobile number portability (MNP) service may create the scope for evasion of VAT worth BDT 0.5 billion a year, the National Board of Revenue (NBR) said in a letter sent to the Ministry of Finance recently.

- The NBR said the BDT 50 charge for MNP service can be waived instead of giving tax exemption.

- "There is no such charge on MNP service in the neighboring countries like India and Pakistan," said the NBR proposal.

<http://today.thefinancialexpress.com.bd/first-page/nbr-against-tax-waiver-for-sims-used-in-mnp-service-1544637551>

Bangladesh Telecommunication Regulatory Commission (BTRC) may fine telcos for charging subscribers without their consent

- Bangladesh Telecommunication Regulatory Commission has initiated a move to impose fine on the mobile operators and value-added service providers if they are found charging subscribers without their consent for any services including VAS.

- The BTRC department concerned initiated the move to address customers' woes as it received a large number of complaints against the companies to this end, said BTRC officials.

- In most of the cases, customers came to know about the activation of such services after the deduction of money from their mobile phone balance.

- Mobile operators and VAS providers were not stopping such fraudulent activities in absence of punitive measures, observed BTRC officers.

- In 2017, subscribers lodged 3,522 complaints against the mobile operators in which auto-activation of VAS leading to balance deduction without customers' knowledge was among the top complaints

<http://www.newagebd.net/article/58744/btrc-may-fine-telcos-for-charging-subscribers-without-their-consent>

Bangladesh Bank announces guidelines on cash incentive for exporters against 9 new products

- Bangladesh Bank on Tuesday announced guidelines for the scheduled banks on payment of cash incentives to their clients against their export of nine new products selected by the government in September this year.

- Exporters of nine new products including pharmaceuticals, photovoltaic modules, motorcycles, chemical products, razors and razor blades, ceramic products, caps, crabs, mud eels and galvanized sheets/coils would get 10% cash incentive against the net freight on board prices in the financial year of 2018-19, Bangladesh Bank said in a circular issued on the day.

- With the nine new products, exporters are now getting cash incentive against the export of 35 products for the current fiscal year of 2018-19.

- Bangladesh Bank said that for getting cash incentive the local value addition of the products would have to be minimum 30% and the export of the products from the manufacturing units established in the special economic zones would not be entitled for the benefit.

<http://www.newagebd.net/article/58659/bb-announces-guidelines-on-cash-incentive-for-exporters-against-9-new-products>

Bangladesh Bank orders more paperwork

- The central bank has asked its officials concerned to place the proposals with more required documents again in the next meeting for reconsideration of approval of three new banks.
- The board, however, expressed satisfaction over the documents submitted by the proposed Bengal Commercial Bank Limited, according to the official.
- It asked the officials concerned to place a proposal for issuing a letter of intent (LoI) for the proposed Bengal Bank.
- The officials have also been asked to submit more required documents of two other proposed banks--Peoples and Citizen--in the next meeting for approval.
- Currently, there are 58 banks in Bangladesh. Of them, 40 are local private banks, nine foreign banks and nine state-owned banks.

<http://today.thefinancialexpress.com.bd/first-page/bb-orders-more-paperwork-1544552914>
<https://www.dhakatribune.com/business/banks/2018/12/11/new-bank-on-the-horizon>

New players edging Bangladesh out of RMG race in US market

- Capitalizing on the ongoing US-China trade war, in a short span of time, Bangladesh's competitors are rapidly taking over a greater share of the US RMG market.
- Vietnam is bagging the most benefits as it has expanded its range of apparel products, an avenue abandoned by China due to tariff hikes, which eventually weighed on their competitiveness.
- On the other hand, India experienced lower growth by 3.84% to USD 3 billion, and Mexico witnessed negative growth by 2.77% to USD 2.60 billion, which was USD 2.66 billion in the previous fiscal year. Indonesia saw negative growth by 2.29% to USD 3.40 billion this year.
- "Import orders, especially RMG, from many US buyers are diverting away from Bangladesh and shifting more to Vietnam, Cambodia, or even Myanmar," read a study titled "Trade War and Its Implications for Bangladesh."
- Explaining Bangladesh's performance in tapping the opportunity deriving from the trade war, economists and industry insiders blamed lack of product diversification, absence of value addition and inadequacy of ports, which cause longer lead time.

<https://www.dhakatribune.com/business/2018/12/12/new-players-edging-bd-out-of-rmg-race-in-us-market>

Government gives conditional nod due to unpaid tax

- The government has allowed Dhaka Tobacco Industries (DTI), an enterprise of Akij Group, to give bank guarantee involving outstanding tax worth BDT 6.13 billion on behalf of United Dhaka Tobacco Company (UDTC) before Japan Tobacco International (JTI) completes acquisition of UDTC.
- Earlier, on December 2, finance minister opposed acquiring UDTC by JTI before settling payment of the outstanding tax of DTI. Later, he agreed to allow DTI to give bank guarantee as per proposal of NBR, the officials added.
- According to the conditions, UDTC will have to appoint DTI as its authorised representative to give bank guarantee on its behalf to complete the transfer process.
- UDTC will also have to give undertaking and to complete other legal formalities regarding appointment of the authorised representative and settling relevant issues.

<http://www.newagebd.net/article/58657/govt-gives-conditional-nod-due-to-unpaid-tax>

Tax waiver widens for firms in hi-tech park

- Firms making goods and providing services from hi-tech parks will not have to pay income tax in the first seven years of their operations, up from three years previously. After that 70% of the tax will be waived in the next three years, said the National Board of Revenue (NBR) in an order on December 4.
- The tax collector first started offering the waiver to the parks' developers and investors three years ago in an effort to promote investment and youth employment in the country. The waiver was then to decline by 10% points on each of the subsequent years till the 10th year, when the amount waived comes to stand at 20%.
- The operation of the biggest park, Bangabandhu Hi-Tech City at Kaliakair in Gazipur, is likely to begin by 2020.
- Recently, the BHTPA allotted plots to nine firms at Bangabandhu Hi-Tech City to manufacture hi-tech products. These firms have proposed to invest a total of USD 181 million in the park.

<https://www.thedailystar.net/business/news/tax-waiver-widens-firms-hi-tech-park-1672336>

State-owned Banks (SoBs) defy Ministry of Finance (MoF) order on public display of top defaulters' list

- None of the state-owned banks (SoBs) and financial institutions have displayed the list of top loan defaulters on their notice boards and posted the same on websites, defying a directive of the ministry of finance (MoF). The directive was issued a year earlier.
- Most of the lenders said the matter is under process, but some bankers argued public display of the list is not possible since big loan defaulters may file defamation cases against them. The authorities of the banks and financial institutions are, deliberately, dragging their feet on implementing the ministry's directive.

- Until September, the amount of default loans in the country's banking sector reached BDT

1.0 trillion, an all-time high. This worries experts and bankers. In the first nine months of the current calendar year, the non-performing loans jumped by nearly 34%.

• People familiar with situation said since the state-owned banks and financial institutions were reeling from various problems, including capital shortage and growing volume of default loans. In August last year, the financial institutions division picked up 27 recommendations from them and asked the banks and financial institutions to implement those.

<http://today.thefinancialexpress.com.bd/first-page/sobs-defy-mof-order-on-public-display-of-top-defaulters-list-1544462887>

Banks' provisioning shortfall swells in nine months

• Overall shortfall in provisioning against loans in the country's banking system swelled by over 20% or BDT 13.60 billion during the first nine months of the year. The total amount of provisioning shortfall rose to BDT 81.27 billion as on September 30 from BDT 67.67 billion nine months ago, according to the central bank's latest statistics.

• The shortfall was BDT 79.80 billion as on June 30 this year. It was BDT 63.44 billion a year before. Higher growth in non-performing loans pushed up the amount of provisioning shortfall with the banks during the period under review, as per one of the Bangladesh Bank (BB) officials.

• The amount of classified loans rose 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, the BB data showed. The public sector banks have faced more provisioning shortfall than that of the private commercial banks, the central banker explained.

• Lower profitability has also pushed up the amount of provisioning shortfall in the Q3 of 2018, another unnamed banker explained. A total of 12 banks, out of 57, failed to keep the requisite provisions against loans, particularly the NPLs, in the third quarter (Q3) covering July-September period of 2018, the BB data showed.

<http://today.thefinancialexpress.com.bd/first-page/banks-provisioning-shortfall-swells-in-nine-months-1544463074>

<https://www.thedailystar.net/business/news/12-banks-face-provision-shortfall-BDT-10834cr-1672093>

<http://www.newagebd.net/article/58565/12-banks-face-BDT-10833cr-provision-shortfall>

VAT rates to be multiple

• Finance Minister yesterday said the new value-added tax law would be fully implemented by 2021 and the rates would be multiple instead of a single one. The rates will be determined at the time of implementation and may be 15 percent, 7.5% and 5 percent, he said. There will be a lot of exemption, he added.

• In 2017-18, VAT accounted for 38% of the total tax collection of BDT 2.06 trillion. The NBR has been tasked with raising the collection by 39% in the current fiscal year.

<https://www.thedailystar.net/business/news/vat-rates-be-multiple-1672087>

Vibrant corporate bond market key to higher economic growth

• In Bangladesh, bond market and its developments are mostly confined to words than actions. However, government bond with 7.86% of GDP is relatively discernible. Thanks go to the Bangladesh Bank. The BB's concentrated efforts on strengthening market infrastructure have enhanced the reliability of the government securities market.

• Barriers to the development of the bond market include: dominance of savings certificates in public debt collection, a lack of initiatives to issue bond for financing major infrastructure projects undertaken by the government, city and municipality corporations, captive bond market of Bangladesh with mandatory rules, and a lack of good reasons in fixing interest rate on savings and investment instruments.

• Consequently, the public bond market fails to offer a representative yield curve, which is being considered as essential for development of a long-term corporate bond market. On the other hand, the number and amount of corporate bonds in Bangladesh are required to be searched with a high powered binocular. At present, the size of the corporate bond market is very scanty -- only 0.2% of GDP, whereas China and India are having 18.63% and 2.89% respectively.

• It is heartening to know that Pran Group and Ashuganj Power Limited are coming up very soon with two debt securities with public placement. Additionally, banks have, although all are in private placement, issued a total of 57 subordinate bonds amounting to BDT 198.24 billion since 2009 to insert capital under tier II.

• This indicates that efforts are in place to entice funds through issuing debt securities. Also, the current and possible future structure of the economy deduces that a viable corporate bond market is needed.

<https://www.thedailystar.net/business/news/vibrant-corporate-bond-market-key-higher-economic-growth-1672081>

Saving tools sales reach 68% of annual target in 4 months

• National savings certificate sales increased 2.96% or BDT 5.14 billion in July-October of 2018-2019 fiscal year in comparison with that of in the same period of the previous year due to higher returns from NSCs than bank deposits.

• As per the latest Directorate of National Savings report, the net sales of NSCs increased to BDT 178.29 billion in July-October of FY19 against BDT 173.15 billion in the same period of FY18.

• The net sales of NSCs, however, posted fall in October this year by 4.40% or BDT 2.04 billion against that of in the same month of last fiscal year mainly due to the finance minister's latest stance to streamline sales of NSC sales from January 2019 amid its high growth and debt liability getting heavy for the budget management.

• In October, net sales of government's savings certificates declined to BDT 44.17 billion against sales of BDT 46.20 billion in the same month last year.

• Earlier, the government had announced that it would not cut interest rates on NSCs before the national elections likely to be held by the end of December this year.

• The rates offered by the NSCs are between 11.04% and 11.76%. The government's net

borrowing from the savings certificates was BDT 465.30 billion in the fiscal year of 2017-2018 against its revised target of BDT 440.00 billion for the fiscal year. The initial target for FY18 was BDT 301.50 billion.

<http://www.newagebd.net/article/58450/saving-tools-sales-reach-68pc-of-annual-target-in-4-months>

Annual Development Programme (ADP) implementation 20% in July-November

- The government spent BDT 364.38 billion for projects under the Annual Development Programme (ADP) during July-November period of the current fiscal year (FY 2018-19) with an implementation rate of 20.15%.
- The expenditure in the first five months is BDT 34.41 billion higher than that of the corresponding period of the previous fiscal (FY18) when the expenditure was BDT 329.97 billion.
- Planning Minister said that the government is hopeful about achieving full implementation of the ADP in the current FY.
- If the current momentum continues, it is expected that the GDP growth rate in the current fiscal year would reach 8.25% to 8.30%.
- Noting that the agriculture, manufacturing and the services sectors have flourished a lot over the years while the ICT sector is booming, the minister said the country would be able to attain double digit or 10% growth rate by the year 2021.

<http://today.thefinancialexpress.com.bd/trade-market/adp-implementation-20pc-in-july-nov-1544377026>

<https://thefinancialexpress.com.bd/economy/bangladesh/minister-optimistic-about-100pc-adp-implementation-in-fy19-1544355361>

<https://www.thedailystar.net/business/news/adp-spending-picks-pace-1671457>

<http://www.newagebd.net/article/58445/adp-spending-2015pc-in-five-months>

New VAT law to come into force from next fiscal year

- The new VAT law will come into force from the next fiscal year with multiple rates instead of a uniform rate of 15%, according to the head of National Board of Revenue (NBR).
- NBR may keep three rates of VAT as the uniform rate is not perfect for the country's economy, said NBR chairman.
- The government had passed the new VAT and Supplementary Duty Act-2012 with 15% uniform rate for all kinds of businesses.
- In the budget for FY 2017-18, the government deferred enforcement of new VAT law by two years.

<http://today.thefinancialexpress.com.bd/first-page/new-vat-law-to-come-into-force-from-next-fiscal-year-1544377959>

Foreign banks hardly lend money to SMEs

- Lending to Small and Medium Enterprises (SMEs) by foreign commercial banks (FCBs) operating in Bangladesh is much lower than expected level over the years.

- According to the data available with the Bangladesh Bank, nine foreign banks disbursed only BDT 7.50 billion in credit during the period between January and June of the current calendar year.

- The amount was less than one% of the total SME loan disbursement target.

- State-owned commercial banks (SoCBs), private commercial banks (PCBs), specialized banks (SBs) and Islamic banks disbursed BDT 59.00 billion, BDT 354.48 billion, BDT 6.32 billion and BDT 311.18 billion respectively during the period.

- Besides, Non-Bank Financial Institutions (NBFIs) disbursed BDT 36.63 billion during the same period.

- Disbursement of SME loans during the January-June period stood at BDT 775.15 billion or 48.13% of its total annual target set for the banks and NBFIs, the data mentioned.

<http://today.thefinancialexpress.com.bd/last-page/foreign-banks-hardly-lend-money-to-smes-1544378267>

Bangladesh 9th highest recipient of remittance this year: World Bank

- Bangladesh is the ninth highest recipient of remittances this year with USD 15.9 billion and in South Asia it ranks third after India (USD 79.5 billion) and Pakistan (USD 20.9 billion), the World Bank said in a report.

- Bangladesh experienced strong upticks of 17.9% in 2018, the bank said.

- In its latest Migration and Development Brief, the World Bank said Bangladesh, after a steep decline in 2016 (-11.5%), remittances were flat in 2017, but remittances are showing a brisk uptick in 2018 (17.9%).

- The Bank estimates that officially-recorded remittances to developing countries will increase by 10.8% to reach USD 528 billion in 2018.

- However, the pace of migrant worker deployments from Bangladesh for the first three quarters of 2018 slowed by 25% (0.55 million, compared with 0.73 million in the same period in the previous year).

<http://today.thefinancialexpress.com.bd/last-page/bangladesh-9th-highest-recipient-of-remittance-this-year-world-bank-1544378460>

<https://www.dhakatribune.com/business/2018/12/10/world-bank-bangladesh-ninth-in-remittances-with-15-9bn>

Disbursement falls in July-October

- Some banks have recently slowed down lending as part of their efforts to weather the ongoing liquidity crisis, leaving an adverse impact on overall agriculture credit disbursement, Bangladesh Bank officials said.

- The central bank set a farm loan disbursement target of BDT 218.0 billion for 2018-19, of which 24.55% was disbursed between July and October.

- Eight state-owned commercial and specialised banks -- Sonali, Janata, Agrani, Rupali, BASIC, BDBL, Bangladesh Krishi and Rajshahi Krishi Unnayan Bank -- together disbursed BDT 26.08 billion.

- Private and foreign banks provided BDT 27.44 billion in agriculture loans during the period.

As per the central bank instruction, traditional lenders will have to slash the ADR by 1.5% points to 83.5% from existing 85% and shariah-based banks to 89% from 90%.

<https://www.thedailystar.net/business/news/disbursement-falls-jul-oct-1671451>

Remittance to hit USD 15.9 billion this year: World Bank

- Remittance inflow to Bangladesh this year will hit USD 15.9 billion with 17.9% year-on-year growth, according to a World Bank report.

- The country will retain its position as 9th top remittance receivers this year, said the global lender in its report 'Migration and Remittances: Recent Developments and Outlook'.

- The 2018 remittance inflow will be 5.6% of the country's gross domestic product.

<http://www.newagebd.net/article/58352/remittance-to-hit-159b-this-year-wb>

Exports to US soar by 22.0% in five months on US-China trade war

- The country's export earnings from the United States posted 21.85% growth in the first five months of the fiscal year 2018-2019 compared with the same period of FY18 due to shifting US orders of readymade garment products to Bangladesh amid US-China trade war.

- Although export earnings from most of the major markets posted relatively good growth, earnings from United Kingdom remained sluggish due to the ongoing tussle in UK over the possible Brexit deal with the European Union, exporters said.

- Export earnings from the US, the largest export destination for Bangladesh, in July-November of FY19 grew to USD 2.83 billion from USD 2.33 billion in the same period of FY 18, according to the Export Promotion Bureau data.

- Export earnings from the United Kingdom in July-November of the current fiscal year grew by 4.31% to USD 1.73 billion from USD 1.66 billion in the same period of FY18, data showed.

<http://www.newagebd.net/article/58354/exports-to-us-soar-by-22pc-in-five-months-on-us-china-trade-war>

Bangladesh Bank's forex support rises to USD 1.0 billion so far this fiscal

- The central bank has so far sold nearly USD 1.0 billion this fiscal year directly to the commercial banks for settling their import payment obligations.

- Import bills soared on fuel oils, capital machinery for power plants, LNG (liquefied natural gas) and fertilisers.

- As part of the move, the BB sold USD 70.0 million to the commercial banks last week that ended to meet the growing demand for the greenback in the market.

- A total of USD 976 million has been sold to the commercial banks since July 01 during the FY 2018-19, as part of its ongoing support. The central bank sold USD 2.31 billion in the FY 18 on the same ground.

<http://today.thefinancialexpress.com.bd/public/last-page/bbs-forex-support-rises-to-10b-so-far-this-fiscal-1544118880>

Bangladesh Bank drafts law to recognize 'movables' as collateral

- The central bank has drafted a law meant to recognize movable properties as collaterals against loans from the banking system.

- The Bangladesh Bank has already posted the draft on its official website seeking opinion from the stakeholders to finalize it. The law will require passage by the national parliament for execution.

- Many bankers believe that such a change in traditional mortgage system will help expand lending and spur economic activities.

<http://today.thefinancialexpress.com.bd/public/first-page/bb-drafts-law-to-recognise-movables-as-collateral-1544118606>

USD 525.0 million World Bank (WB) loans for rural road, bridge development

- The World Bank (WB) will provide more than half a billion dollar loans for rural road and infrastructure development in Bangladesh.

- The WB will provide USD 425.0 million for the 'Operation for Supporting Rural Bridges Programme' in coastal districts and USD 100.0 million for 'Rural Transport Improvement-II Project'.

- It will help plan, design and manage bridges through rehabilitation of at least 29,000 meters of bridges and build 20,000 meters of new ones in 61 districts.

- The programme will create jobs by generating about 5.5 million person-days of employment.

<http://today.thefinancialexpress.com.bd/public/trade-market/525m-wb-loans-for-rural-road-bridge-development-1544116505>

<https://www.thedailystar.net/business/news/wb-give-525m-connectivity-climate-resilience-1670143>

<https://www.dhakatribune.com/business/2018/12/07/world-bank-to-provide-525m-to-improve-rural-road-connectivity>

Ready Made Garments (RMG) exports to India grow 165% in first five months

- The country's readymade garment exports to India grew by more than 165% to USD 232.39 million during the first five months of the current fiscal year (FY 2018-19) over the corresponding period of the last FY.

- The figure stood at USD 87.43 million during the July-November period of FY 2017-18, according to the official data of Export Promotion Bureau (EPB).

- Of the total export earnings in the current five months, USD 66.16 million came from knitwear and USD 166.22 million from shipments of woven items.

- The overall exports to India stood at USD 567.82 million in July-November of the current FY against USD 288.20 million in the same period of the last FY.

- The exporters and experts, however, attributed it to the demand growth among the Indian rising middle class. Western retailers, having their outlets in India, also found it competitive to source from Bangladesh.

- Indian GST (goods and service tax) also might have a positive impact as the basic customs duty on imports from Bangladesh has been exempted under the GST.

<http://today.thefinancialexpress.com.bd/trade-market/rmg-exports-to-india-grow-165pc-in-first-five-months-1544285720>

Bangladesh remains most optimistic market: Deputy Chief Executive Officer of HSBC Bangladesh

- Bangladeshi firms continue to be the most optimistic out of the 34 countries in which British banking giant HSBC operates, said one of its top officials. As per the Deputy Chief Executive Officer of HSBC Bangladesh, the reason for the optimism is favorable situation and stable political environment

- Bangladeshi firms are overwhelmingly positive on global trade prospects over the next couple of years and see their businesses benefitting from potential relocation of supply chains in the wake of global trade frictions, he added.

- As many as 94 percent of the respondents said they have a positive outlook on global trade and a slightly higher proportion are confident of succeeding in the current international trading environment.

<https://www.thedailystar.net/business/news/bangladesh-remains-most-optimistic-market-1671061>

Another nine firms to invest in hi-tech park

- Nine more local technology companies were allotted plots at the Bangabandhu Hi-Tech City at Kaliakair in Gazipur to manufacture hi-tech products with a view to advancing technological development in Bangladesh.

- The authority last week handed over 24.8 acres of land to the firms under a 40-year lease agreement. The companies have been asked to submit work plans within three months and start construction within six months, she said.

- In September, the BHTPA allocated 20.5 acres of land to nine local and foreign

companies, which will invest about USD 150.0 million and create 25,000 jobs in combined.

<https://www.thedailystar.net/business/news/another-nine-firms-invest-hi-tech-park-1670170>

National Board of Revenue (NBR) widens tax waiver for investors in hi-tech parks

- National Board of Revenue has widened the tax waiver benefit for investors in hi-tech parks to attract both domestic and foreign direct investment in the parks.

- According to the new provisions, investors in the parks will get 100% tax exemption on their income for the first seven years of their operations.

- The rate of tax waiver will be 70% for the next three years and it will completely phase out in the 11th year.

- In 2015, NBR offered full tax breaks for the first three years of business operations in the parks, 80% tax waiver for fourth year, 70% for fifth year, 60% for sixth year, and 50% for seventh year, 40% for eighth year, 30% for ninth year and 20% for 10th year of the operations.

- The government thinks that extended tax offer would be more attractive to both domestic and foreign investors, they said.

<http://www.newagebd.net/article/58145/nbr-widens-tax-waiver-for-investors-in-hi-tech-parks>

Industry sector contributes 33.71% of national income, says Industries Minister

- The industry sector now contributes to 33.71% of the national income of Bangladesh, up from 17.77% ten years prior.

- According to him, the country's export income went up to USD 36.67 billion in the fiscal year 2017-18, from USD 14.11 billion in FY 2007-08.

- Approximately 10% of the plot in the BSCIC (Bangladesh Small and Cottage Industry Corporation) industrial area has been allocated for the skills development of women entrepreneurs. Funding with single digit interest rate has been arranged for SME entrepreneurs, he added.

<https://www.dhakatribune.com/business/2018/12/07/industry-sector-contributes-33-71-of-national-income-says-amu>

Robi gets highest customers through Mobile Number Portability (MNP) service

- The second largest mobile phone operator in Bangladesh, Robi Axiata Limited, won over the highest 48,067 subscribers from three other mobile phone operators in the first two months of mobile number portability service launch.

- The leading mobile phone operator Grameenphone faced highest number of customer departure from the operator to other operators during October and November.

- The government on October 1 introduced the much-awaited MNP service with a view to facilitating customers changing their operators without changing their existing mobile numbers.
- The number of customers received by Robi through MNP service was 62% of total 77,085 customers who switched network.
- Robi received 25,997 customers in October and 22,070 customers in November.
- The third largest mobile phone operator, Banglalink, received the second highest 10,263 customers or 24.40% of the total successful porting completed by during the period including 10,263 in October and 8,259 in November.
- GP received 9,371 customers through MNP, representing 12.11% out of the total 77,085 customers who successfully ported to other operator under the service.
- State-owned Teletalk received 1,156 customers or 1.49% of total successful porting including 554 customers in October and 601 customers in November.

<http://www.newagebd.net/article/58355/robi-gets-highest-customers-thru-mnp-service>

Bangladesh Securities Exchange Commission warns 18 companies for securities law violation

- The Bangladesh Securities and Exchange Commission (BSEC) in November warned 18 organizations, including six companies and 12 merchant banks and securities houses, for non-compliance of securities laws.
- Non-compliance warnings were sent to Confidence Cement Ltd, JMI Syringes & Medical Devices Ltd, Miracle Industries Ltd, Monno Ceramic Industries Ltd, Monno Jute Staffers Ltd, and Prime Textile Spinning Mills Ltd.
- BSEC sources said directors, managing directors and company secretaries of the six companies have been warned against alleged securities rules violations. In most cases, violations were related to price sensitive information.
- BSEC said the commission is considering the apologies of the accused and their promises of compliance in future. They have also decided to dispose of the proceedings against them by placing on record the commission's dissatisfaction on the defaults and contraventions made by them, with a warning to ensure compliance of all securities related laws in future.

<https://www.dhakatribune.com/business/stock/2018/12/13/bsec-warns-18-companies-for-securities-law-violation>

Bangladesh Securities Exchange Commission directs Pacific Denims to refund above BDT 209 million

- The securities regulator has ordered Pacific Denims to refund IPO fund above BDT 209.80 million, which was 'misused' in the name of constructing building, into the company account.

- After taking required measures for refunding the IPO fund, the company's managing director will have to submit evidence in this regard to the commission within January 31, 2019.
- Earlier, the securities regulator had appointed auditor to examine the utilization of the IPO fund raised by the Pacific Denims. As per the auditor's findings, the company did not repay bank loans within stipulated timeframe mentioned in the IPO prospectus.
- "The company spent above BDT 5.91 million in violation of the agreement letter," the BSEC said referring to auditor's findings.
- "A portion of IPO fund worth above BDT 209.80 million was misused and the company showed this expense in the head of building construction," the BSEC said.

Important News: Capital Market

<http://today.thefinancialexpress.com.bd/stock-corporate/bsec-directs-pacific-denims-to-refund-above-BDT-209-million-1544549215>
<https://www.dhakatribune.com/business/stock/2018/12/12/ipo-proceeds-pacific-denims-directors-md-fined-for-misappropriating-BDT20-98cr>
<http://www.newagebd.net/article/58658/pdl-directors-fined-BDT-3-lakh-each-for-ipo-fund-misuse>

RAK suspends production of a tiles plant

- RAK Ceramics (Bangladesh) has suspended production of a tiles plant, out of four, due to the maintenance work of the machinery of tiles production plant.
- The UAE-Bangladesh joint venture company stopped production of number-1 tiles plant for 46 days starting from Tuesday to January 25, 2019, according to a web news posted on the Dhaka Stock Exchange (DSE) on Tuesday.
- Each share of the company, which was listed on the Dhaka bourse in 2010, closed at BDT 38.30 on Tuesday, losing 2.05 %.
- The company's consolidated earnings per share (EPS) stood at BDT 0.55 for July-September 2018 as against BDT 0.69 for July-September 2017. In nine months for January-September 2018, its EPS was BDT 1.54 against BDT 1.95 for January-September 2017.
- Currently, the company's annual production capacities are 11.68 million square meters of tiles and 1.45 million pieces of sanitary ware, according to its website.

<http://today.thefinancialexpress.com.bd/stock-corporate/rak-suspends-production-of-a-tiles-plant-1544549313>

Eastern Bank Limited (EBL) to issue BDT 5.00 billion bonds

- The Bangladesh Securities and Exchange Commission has allowed Eastern Bank Ltd to raise BDT 5.00 billion by issuing floating non-convertible subordinated bonds.
- The bonds will have a maturity period of seven years and a face value of BDT 10 million per unit. EBL will use the proceeds to strengthen capital base.

<https://www.thedailystar.net/business/news/eb-l-issue-BDT-500cr-bonds-1672327>

Investors lose confidence in mutual funds

- The extension of closed-end mutual funds' tenure further sapped investors' confidence in the sector, with almost BDT 4.30 billion lost since the decision came into effect on September 16. The sector has already been suffering from low investor confidence; the decision, which came following the government's order, could be another nail in the coffin. Thanks to the BSEC decision investors will now have to wait for another ten years to get profits from mutual funds.
- Since September 16, the closed-end mutual fund sector lost 11.63% of its market capitalization. Of the listed 37 funds, 33 traded at lower than their face value yesterday. The decision is a total violation of fund managers' commitment, and the Bangladesh Securities & Exchange Commission (BSEC) has created the opportunity to break their commitment, said the managing director of an asset management company, requesting anonymity.
- He went on to predict that the impact of the decision would be profound. The President of the DSE Brokers' Association, echoed the same. It is necessary to liquidate the funds within the committed time of their prospectuses to keep the confidence of investors, he added.
- As there is no research on it, no one can say that this is the sole reason behind the fall of market capitalization, BSEC spokesperson claimed. He, however, acknowledged that it affected the confidence of investors of closed-end mutual funds.

<https://www.thedailystar.net/business/news/investors-lose-confidence-mutual-funds-1672084>

Rising non-performing loan (NPL) in banks weighs on stocks

- The spiraling non-performing loan (NPL) of the banking sector weighed down shares of banks and non-bank financial institutions hitting Dhaka stocks with a 0.49% fall yesterday.
- Among the 30 listed banks, prices of 23 fell, four remained unchanged and three rose, an almost similar trend seen in the previous trading day on Thursday.
- Shares of Dhaka Bank, IFIC, EBL, Islami Bank Bangladesh, One, Rupali and Standard Bank closed to their lowest levels in six months.
- The banking sector's rising NPL is to blame for the fall, said the president of the DSE Brokers' Association.
- The NPL touched BDT 993.70 billion at the end of the third quarter, which is up by 11.23% compared to the previous quarter and 24% year-on-year, according to Bangladesh Bank data.

The banking stocks along with the market started falling as soon as the news of the spiraling NPL surfaced on Thursday, the president of the DSE Brokers' Association added.

<https://www.thedailystar.net/business/news/rising-npl-banks-weighs-stocks-1671448>

MJL Bangladesh witnesses steady growth in five years

- MJL Bangladesh, country's largest lubricant company has exhibited a steady growth in

revenue earnings and dividend disbursement, among others, in last five consecutive years through 'operational excellence'.

- During the period, the company registered growth rates between 1.88% to 39% in revenue earnings based on a 'loyal' and 'productive' force.
- For the year ended on June 30, 2018, the company has reported a consolidated net profit of above BDT 2.29 billion, which was 7.0% higher than the revenues calculated in previous year.
- Except 2014-15, the company's earnings per share (EPS) gradually rose during 2013-14 to 2017-18 following the increased net profits.
- The company's EPS was BDT 3.77 in 2013-14, BDT 3.61 in 2014-15, BDT 5.71 in 2015-16, BDT 6.95 in 2016-17 and BDT 7.0 in 2017-18.

<http://today.thefinancialexpress.com.bd/stock-corporate/mjl-bangladesh-witnesses-steady-growth-in-five-yrs-1544373065>

Foreign funds in Dhaka Stock Exchange (DSE) keep falling

- Foreign investors' selling spree continued in November in anticipation of political tension ahead of the upcoming national election.
- Last month, they purchased shares worth BDT 3.24 billion and sold shares worth BDT 3.46 billion, meaning the net investment was BDT 225.1 million in the negative.
- Their net investment was BDT 2.01 billion in the negative in the previous month, according to data from the premier bourse.

<https://www.thedailystar.net/business/news/foreign-funds-dse-keep-falling-1671172>