

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

Government asks state-owned commercial banks (SoCBs) to cut non-performing loans (NPLs) at any cost

- The government has asked the state-owned commercial banks (SoCBs) to lower non-performing loans (NPLs) at any cost.
- Sources said the issues of the volume of classified loans and provisioning were discussed with due importance.
- The chief executives of the SoCBs were told to lower the volume of classified loans taking necessary measures.
- As of September, the amount of defaulted bank loans reached an all-time high of nearly BDT 1.0 trillion, much to the worry of experts and bankers, according to Bangladesh Bank data.
- In the first nine months of this calendar year, NPLs jumped by nearly 34% or BDT 250.67 billion to BDT 993.70 billion from BDT 743.03 billion last December.
- The size will be even bigger if the amount of rescheduled and written-off loans is taken into account.
- During the same period, the overall shortfall in provisioning against the NPLs swelled by over 20% or BDT 13.60 billion.

<http://today.thefinancialexpress.com.bd/first-page/govt-asks-socbs-to-cut-npls-at-any-cost-1545846209>
<http://www.newagebd.net/article/59958/fid-directs-socbs-to-set-realistic-bad-loan-recovery-targets>

Farm loan disbursement drops by 9.17% in July-November

- Loan disbursement by banks to farmers dropped by 9.17% or BDT 7.55 billion in the July-November period of this fiscal year compared with that in the same period of the previous fiscal year amid worsening liquidity shortage in the banking sector.
- State-run, private and foreign banks disbursed BDT 74.76 billion in farm loans in the five months of FY 2018-19 against BDT 82.31 billion disbursed in the same period of FY 2017-18, according to the latest Bangladesh Bank data.
- Apart from the slowdown in loan disbursement, overdue amount in the farm loan segment also increased at the end of November this year.
- At the end of November this year, overdue amount in the farm loan segment increased to BDT 67.32 billion or 17% of BDT 396.06 billion in outstanding loans in the sector.
- In the five months of FY19 state-owned banks, private commercial and foreign commercial banks disbursed 34.29% of their annual farm loan disbursement target while they had disbursed 40.35% of their target in the same period of FY18.
- The central bank has set BDT 218.00 billion as farm loan disbursement target for FY19 for banks. The target was BDT 204.00 billion for FY18.

<http://www.newagebd.net/article/59957/farm-loan-disbursement-drops-by-917pc-in-jul-nov>

IIG, telecommunication companies asked to implement government's any internet slowdown order promptly

- Bangladesh Telecommunication Regulatory Commission on Wednesday warned international internet gateway and mobile phone operators of measures unless any instructions related to internet content or speed were implemented in time during the election.
- The telecom regulator came up with the warning at separate meetings with international gateway operators and mobile phone operators held at its office in Dhaka.

<http://www.newagebd.net/article/59959/iig-telcos-asked-to-implement-govts-any-internet-slowdown-order-promptly>

Footwear companies to expand exports to European markets

- The commercial banks in Bangladesh in a number of cases did not make payments on time against the letters of credit (L/Cs) though there was no discrepancy, tarnishing the country's image abroad very badly, said the President of International Chamber of Commerce Bangladesh.
- He urged the Bangladesh Bank (BB), the regulator, to make sure that the commercial banks do not withheld the payments when the documents are free of discrepancy.
- The ICCB President mentioned that the financial institutions of the country are passing through a very crucial time because of nexus between regulators, bankers and big borrowers. He also suggested to stop this to remain competitive in the years to come.

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

Power import gets easier

- India has issued a new cross-border power trading regulation, which will go a long way in helping Bangladesh import electricity from Nepal and Bhutan using Indian transmission lines to meet growing energy needs.
- In case of tripartite agreements, cross-border trade of electricity across India shall be allowed under the overall framework of bilateral agreements signed between the Indian government and the government of the respective neighbouring country or countries of the participating entities.
- Dhaka has signed a memorandum of understanding (MoU) with Kathmandu on electricity import. The first meeting of a corresponding joint working group and joint steering committee was held in Kathmandu on December 3-4.
- A tripartite agreement between Dhaka, New Delhi and Kathmandu may be signed soon to help Bangladesh import electricity from Nepal, said an official of the ministry.

<https://www.thedailystar.net/business/news/power-import-gets-easier-1679245>

Bangladesh Securities and Exchange Commission (BSEC) approves IPO (initial public offering) of Coppertech

- The securities regulator has approved the IPO (initial public offering) proposal of Coppertech Industries.
- The company will raise a capital worth BDT 200.0 million offloading 20.0 million shares under the fixed price method.
- The company will utilise the IPO fund to purchase plant and machineries, repay bank loans, and construct building.
- As per the financial statement for the year ended on June 30, 2018 the company's net asset value (NAV) per share, without revaluation, was BDT 12.06.
- For the same period, the earnings per share (NAV) of the Coppertech Industries was BDT 2.60, whereas the diluted EPS was BDT 1.03. The weighted average EPS was BDT 0.87.
- The core markets for the product of the company are power plants, AC fridge manufacturing factory and workshop, engineering workshop, electronic product producer and other local customers, according to IPO prospectus.

<http://today.thefinancialexpress.com.bd/stock-corporate/two-cos-share-price-soaring-sans-psi-1544635446>
<http://www.newagebd.net/article/59960/coppertech-gets-bsec-nod-to-float-BDT-20cr-ipo>

Dhaka Stock Exchange (DSE) backtracks on imposing app usage fee

- Dhaka Stock Exchange (DSE) has backtracked from its decision to charge BDT 150 per month for trading via its mobile app considering the present situation of the market as well as to reach more users first.
- According to a board member, this is not a suitable time to introduce the fee considering the market movement, so the board decided to make a U-turn.
- The bourse currently pays the app developer USD 1 per month for each user.
- The DSE is paying the money now, but it is becoming a big amount day by day.
- According to the managing director of the DSE, even though the amount is becoming bigger, the DSE is refraining from getting it back in an attempt to spread the use of the app.

<https://www.thedailystar.net/business/news/dse-backtracks-imposing-app-usage-fee-1679230>

Margin loan holders with negative equity get 2 years more

- The Bangladesh Securities and Exchange Commission on Wednesday extended the suspension period for a sub-rule of the margin rules by another two years to allow investors with margin loans to trade shares despite a 150-% fall in their portfolio value.
- Following a request from Dhaka Stock Exchange Brokers Association, the commission decided to keep suspended the effectiveness of sub-rule 5 of rule 3 of the Margin Rules-1999 from January 1, 2019 to December 31, 2020.

<http://www.newagebd.net/article/59961/margin-loan-holders-with-negative-equity-get-2yrs-more>

World Stock and Commodities*

Index Name	Close Value	Value Change	% Change
Crude Oil (WTI)*	\$46.00	-0.22	-0.48%
Crude Oil (Brent)*	\$54.28	-0.19	-0.35%
Gold Spot*	\$1,269.72	+2.58	+0.20%
DSEX	5349.18	+49.09	+0.93%
Dow Jones Industrial Average	22,878.45	+1,086.25	+4.98%
FTSE 100	6,685.99	-35.18	-0.52%
Nikkei 225	20,049.68	+722.62	+3.74%

Exchange Rates

USD 1 = BDT 83.75*
GBP 1 = BDT 106.01*
EUR 1 = BDT 95.33*
INR 1 = BDT 1.20*

*Currencies and Commodities are taken from Bloomberg.

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