

*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.*

### **GP network likely to face major setback**

- The Grameenphone (GP), country's largest cellphone operator, will not be able to provide new connections after two weeks due to restrictions imposed by the telecom regulator. The stock of new SIMs of the operator will be exhausted within two weeks and the service quality may also face major problem if the regulator does not give approval for network expansion within four weeks.
- GP had started its journey with 017 prefix, but that has been exhausted. In October 2018, it was allocated 0130 and 0131 number series, each with 10 million slots. The operator is close to using up recently-assigned number series and the BTRC is refusing to give it any further number series. A BTRC official said the commission suspects that lots of numbers are still vacant on GP's existing number series. GP's CEO said almost three million numbers could be renewed from the existing number series, but the regulator is not allowing that also.
- The mobile operators have to obtain NOCs from the BTRC before launching any package for users, importing radio equipment, and building new towers. Due to the restrictions imposed by the Bangladesh Telecommunication Regulatory Commission (BTRC) on import of network equipment and network expansion since July last year, GP's customers had been facing problems.

<https://today.thefinancialexpress.com.bd/first-page/gp-network-likely-to-face-major-setback-1580752649>

<https://www.thedailystar.net/business/news/if-we-face-any-challenges-customers-will-suffer-1863304>

<https://www.thedailystar.net/frontpage/grameenphone-faces-crisis-over-sim-sales-1863115>

<https://www.newagebd.net/article/98526/gp-running-out-of-new-sims-due-to-btrc-restriction-new-ceo>

### **bKash in persuasion to raise Nagad's cash-out charge**

- Mobile Financial Services (MFS) operator bKash is in persuasion to raise the cash-out charge of digital financial service provider Nagad on the ground of creating level playing field, reports BSS. To this end, the MFS operator sent a letter to the Posts and Telecommunications Division, seeking policy support from the government for their smooth business operation. Posts and Telecommunications Minister has said that Nagad, being an entity of Bangladesh Post Office, will run operation with own style considering business case.
- Officials familiar with the process said bKash has been persuading in different tiers of policymakers to re-fix Nagad's cash-out charge to BDT 18.50 and as part of this process it also met high ups of government. They said if the new charge is set, MFS transaction cost of mass people would be increased, resulting bKash would get business benefit by extending its monopoly stake further in the market.
- Market insiders said bKash has been charging BDT 20 for per BDT 1,000 since long while Nagad is currently offering customers the most "value for money" cash-out charge in the industry which is BDT 14.50 for per BDT 1,000. In addition, Nagad is also offering of BDT 5 cash back for per BDT 1,000 cash-in, they mentioned.

<https://today.thefinancialexpress.com.bd/trade-market/bkash-in-persuasion-to-raise-nagads-cash-out-charge-1580751379>

### **Over 165 million mobile phone subscribers in country: Bangladesh Telecommunication Regulatory Commission (BTRC)**

- The total number of mobile phone subscribers has reached 165.572 million as of December 2019, according to data by telecom regulator. They also revealed that there were 157.54 million subscribers as of the end of January 2019, according to Bangladesh Telecommunication Regulatory Commission (BTRC). Among them, the subscribers of Grameen Phone Ltd (GP) stood at 76.462 million while Robi Axiata Limited (Robi) has 49.004 million, Banglalink Digital Communications Limited has 35.239 million and Teletalk Bangladesh Ltd (Teletalk) has 4.868 million, the regulator added.

<https://thefinancialexpress.com.bd/trade/over-165m-mobile-phone-subscribers-in-country-brtc-1580739006>

### **Export diversification hinges on access to bonded warehouse**

- Easing access of non-RMG sectors to bonded warehouse benefit, an opportunity to ensure duty-free import of raw materials of export items, is vital to diversify the country's export basket. The National Board of Revenue (NBR) provides duty-free import benefit to exporters under the bonded warehouse scheme and benefit is mostly enjoyed by apparel exporters. Around 84% of Bangladesh's export basket of USD 40.5 billion in fiscal year 2018-19 was filled up

by ready-made garments while the rest 16% failed to reap the bonded warehouse privilege fully.

- Non-RMG exports ranged between USD 5 billion to USD 7 billion a year during fiscal year 2013-17. Effective bonded warehouse benefits could have boosted non-RMG exports by approximately USD 1.5 billion a year. Bangladesh's source of cost competitiveness is low-cost labor but raw materials and intermediate goods are subject to tariffs. To be competitive, Bangladeshi exporters need to be guaranteed imported inputs at world prices. That is, imports must be available at duty-free prices upfront. Bonded warehouse benefits ensure duty-free imports, creating a level playing field on the global market.

<https://www.thedailystar.net/business/news/export-diversification-hinges-access-bonded-warehouse-1863307>

#### World Stock and Commodities\*

Index Name	Close Value	Value Change	% Change
Crude Oil (WTI)*	\$50.45	+0.34	+0.68%
Crude Oil (Brent)*	\$54.72	+0.27	+0.50%
Gold Spot*	\$1,574.98	-1.75	-0.11%
DSEX	4481.51	+11.85	+0.27%
Dow Jones Industrial Average	28,399.81	+143.78	+0.51%
FTSE 100	7,326.31	+40.30	+0.55%
Nikkei 225	22,995.01	+23.07	+0.10%
BSE SENSEX	39,872.31	+136.78	+0.34%

#### Exchange Rates

**USD 1 = BDT 84.81\***

**GBP 1 = BDT 110.25\***

**EUR 1 = BDT 93.78\***

**INR 1 = BDT 1.19\***

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

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