

*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.*

### **Mobile internet users cross 100 million mark**

- The number of people using internet on their mobile phones in Bangladesh crossed the 100-million mark in September as customers' shift towards the digital sphere to carry out tasks made further gains owing to the coronavirus pandemic. The number of internet users rose 13% year-on-year to 111.1 million in September, data from the Bangladesh Telecommunication Regulatory Commission showed yesterday. It was 98.4 million in the same month last year. Now, 102.5 million subscribers use internet on their handheld devices and the rest rely on the services provided by internet service providers and public-switched telephone network operators.
- In another milestone, mobile phone subscribers grew 2.26% year-on-year to 167.1 million in September to reach an all-time high. The number of active mobile phone users stood at 163.4 million in the same month last year. With September's uptick, the number of mobile phone users went past the pre-pandemic high of 166.1 million posted in February. The chief corporate and regulatory affairs officer of Banglalink, said that they are trying to make a recovery in the post-pandemic period as economical activities are regaining the normal pace especially after the lockdown.
- He credited people's improving financial condition and buying capacity for the uptick in the number of mobile phone subscribers and internet users. Market leader Grameenphone's customers jumped 2.51% to 77.6 million in September from 75.7 million in last year. Robi Axiata, which went past the 50-million landmark in September, took its tally to 50.1 million at the end of the month, up from 48.2 million in the same month last year.

<https://www.thedailystar.net/business/news/mobile-internet-users-cross-10cr-mark-1989001>

### **September sees record number of mobile phone and internet users**

- The numbers of both mobile phone and internet subscribers in the country have reached the highest-ever mark in September this year, according to the latest official data. Some three million new internet users were added to the subscriber base in September, taking the total tally to 111.13 million, according to the data released by the Bangladesh Telecommunication Regulatory Authority (BTRC) on Monday. The number of mobile phone subscribers reached 167.10 million in September, up from 166.08 million in August and 166.11 million in February.
- Of the internet subscribers, some 102.47 million are mobile internet users and 8.65 million are broadband internet users, the data showed. Grameenphone, the largest mobile phone operator in the country, had 77.59 million subscribers as of September, up from 77 million in the previous month. Second-placed Robi Axiata had 50.12 million subscribers in September, up from 49.78 million in August.

<https://today.thefinancialexpress.com.bd/trade-market/sept-sees-record-number-of-mobile-phone-and-internet-users-1604419657>

### **Banks see their loss-making branches soar**

- People's reluctance to secure financial services in person amid the coronavirus pandemic and a lack of corporate governance have driven up the number of unprofitable branches of banks in Bangladesh. The number of loss-making branches rose 36% year-on-year to 1,907 in June, data from the central bank showed. This meant the banking sector has 18.22% of their brick and mortar outlets in the red, up from 12.19% among 10,450 branches in December last year. People have embraced digital banking to avoid going to branches to keep the highly infectious disease at bay, dealing a major blow to the traditional banking operation.
- Agent banking and mobile financial service providers are offering financial services and this has discouraged clients from visiting branches, said the executive director of the Policy Research Institute of Bangladesh. Although the majority of banks managed to make a profit on papers in the six months to June, the number of loss-making branches for almost all banks rose. The branches that had earlier been at a break-even became loss-making, said he, also the chairman of Brac Bank.
- Brac Bank has decided not to open any new branch in the days ahead as it has embraced branchless banking, he said. The managing director of the private commercial lender, said a significant number of branches of the bank incurred losses in the first half of 2020 because of the business slowdown caused by the pandemic. The branches have improved their situation in the third quarter keeping pace with the ongoing economic recovery, he said.

<https://www.thedailystar.net/business/news/banks-see-their-loss-making-branches-soar-1989009>

### **E-commerce would be a USD 3 billion industry by 2023**

- The e-commerce industry is forecasted to hit USD 3 billion by 2023 provided there is a stable internet connection and

an easy online payment system, experts said. The pandemic was rather a blessing in disguise for the e-commerce industry," said Commerce Secretary. Despite having dissatisfaction among the consumers, e-commerce and f-commerce are growing manifold for their incremental demand, he added.

- In 2020, thanks to the global coronavirus pandemic that compelled people to stay at home as much as possible, the e-commerce business experienced a significant 166% growth as consumers moved online for their shopping needs, said the president of the Bangladesh Association of Software and Information Services. Currently, the size of the local e-commerce market was about USD 2 billion and was increasing by 50% every year, said DCCI President. Despite a significant drop in general trading, e-commerce trading increased remarkably, benefitting from the pandemic's turbocharging of digitalisation.

<https://www.dhakatribune.com/business/2020/11/03/e-commerce-market-will-be-3-billion-big-by-2023>

### Listed companies to face curbs

- The listed companies might soon be barred from providing interest-free loans to their subsidiaries or non-listed companies. A move to this effect is under consideration of the securities regulator---the Bangladesh Securities and Exchange Commission (BSEC) with the objective of improving the listed companies' financial strength and ensuring the interest of the investors, officials concerned said. They said the listed companies would also be asked to charge interest on the total amount of loans they have disbursed to their subsidiaries or non-listed companies so far. They said the companies often provide their subsidiaries with funds as loans, but without any interest.

- BSEC chairman said the companies, which are not listed with the stock exchanges, received funds or loans from many listed companies without paying any interest. He said the shareholders of listed companies are not the owners of the non-listed companies that are doing business with the funds received from the former. As a result, he added, the owners of the non-listed companies were getting the benefit out of the interest-free loans from the listed companies. He further added that like the banks, the listed companies will have to charge interest on the loans to their subsidiaries or non-listed companies. Then the listed companies will be asked to charge interest on the total amount of loans so far disbursed to their subsidiaries or non-listed companies," said the BSEC chairman. As part of the regulatory measures, the BSEC on August 13 last sent a letter to all the listed companies asking information about the transfer of funds or disbursement of loans to their sister concerns or associate companies or any other non-listed companies.

<https://today.thefinancialexpress.com.bd/first-page/listed-cos-to-face-curbs-1604424143>

### Berger Paints shines in post-lockdown world

- Berger Paints saw its profit soar 50% between July and September to BDT 661 million on the back of pent-up demand from the preceding three months, which was more or less a washout thanks to the countrywide shutdown to flatten the curve on coronavirus. This takes the company's profits in the first half of its 2020-21 financial year, which runs from April to March, to BDT 769 million, down 19.6% year-on-year. Like other organisations, this pandemic caused huge financial damage to them, said the managing director of Berger Paints Bangladesh.

- The shutdown was lifted on May 30 and with it seems the demand for paint returned gradually. Between April and June, the country's leading decorative paint manufacturer logged in sales of BDT 710 million. And in the following three months -- which coincided with the monsoon season, when construction activities and repainting work hits the slow lane -- sales stood at BDT 1.65 billion, up 11.5% year-on-year. She credited the sales spurt to pent-up demand from the shutdown period.

<https://www.dhakatribune.com/business/stock/2020/11/03/berger-paints-shine-in-post-lockdown-world>

### Tax receipts from Dhaka Stock Exchange (DSE) slump 21% in October

- The government's revenue earnings from the Dhaka Stock Exchange (DSE) fell 21% month-on-month in October as trading volume was on the decline. Market analysts said declining trading activities coupled with lower share sales by sponsor-directors affected the government's earnings from the main bourse in October this year. The government bagged revenue worth BDT 216 million in October this year which was BDT 275 million a month ago in September, according to data from the DSE. The government earned the amount on TREC (trading right entitlement certificate) holders' commission and share sales by sponsor-directors and placement holders.

- Of the total earnings in the month, more than BDT 170 million came from the TREC holders' commission, popularly known as brokerage commission, while nearly BDT 46 million came from the share sales by sponsor-directors and placement holders, the DSE data shows. A DSE official said lower trading activities hit the government earnings from the prime bourse in October compared to September.

<https://today.thefinancialexpress.com.bd/stock-corporate/tax-receipts-from-dse-slump-21pc-in-october-1604418685>

**World Stock and Commodities\***

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	\$37.97	(\$23.66)	-38.39%
Crude Oil (Brent)*	\$39.98	(\$28.46)	-41.58%
Gold Spot*	\$1,902.41	\$380.94	25.04%
DSEX	4,928.02	475.09	10.67%
S&P 500	3,369.02	138.24	4.28%
FTSE 100	5,786.77	(1,800.28)	-23.73%
BSE SENSEX	40,261.13	(1,381.01)	-3.32%
KSE-100	40,480.88	(254.20)	-0.62%
CSEALL	5,843.27	(285.94)	-4.67%

**Exchange Rates**

**USD 1 = BDT 84.84\***

**GBP 1 = BDT 110.68\***

**EUR 1 = BDT 98.36\***

**INR 1 = BDT 1.14\***

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

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