

Stock Market

Stocks fall as financial shares, GP slump

New Age, September 13, 2018

- Dhaka stocks returned to the negative territory on Wednesday as investors went for selling shares, especially financial scrips and Grameenphone, amid financial sectors' woes and political uncertainty ahead of national elections.
- DSEX, the key index of the Dhaka Stock Exchange, dropped by 0.25%, or 14.11 points, to close at 5,529.81 points on Wednesday after losing 3.82 points in the previous session. Before Monday's gain, the DSEX lost 34 points in the previous two sessions.
- Trading hours at the DSE were extended by 30 minutes to 3:00pm on Wednesday on the occasion of the Bangladesh Securities and Exchange Commission's silver jubilee celebration programme. On top of that, a rise in non-performing loans of banks curbed the investors' appetite for financial sectors. The media reported on Tuesday that as per Bangladesh Bank data released on Monday, the defaulted loans in the country's banking sector neared BDT 90,000 crore by the end of June as the amount of such loans soared by 20.23% or BDT 15,037 crore in the first six months of this year.
- The average share prices of bank, non-bank financial institution, and telecommunication sectors plunged by 1.5%, 1.3% and 1.1% respectively. Out of the 30 traded bank scrips, 27 dropped and three advanced while out of the 23 traded NBFIs, 18 declined, two advanced and three remained unchanged.
- On the other hand, the average share prices of miscellaneous, energy, pharmaceuticals and textile sectors advanced by 2.1%, 0.9%, 0.3% and 0.1% respectively after losing in the previous session.

<http://www.newagebd.net/article/50451/stocks-fall-as-financial-shares-gp-slump>

Govt to cut capital gains tax on bourse shareholders to 5pc: Muhith

New Age, September 13, 2018

- Finance minister AMA Muhith on Wednesday announced that the government slashed the capital gains tax levied on bourse shareholders to 5% from 15% on condition that the shareholders would invest their net share-sales proceeds in the capital market for three years' duration.
- Muhith made the declaration at the inaugural ceremony of the Bangladesh Securities and Exchange Commission's week-long silver jubilee celebration programme at the Bangabandhu International Conference Centre in Dhaka. The member-shareholders of Dhaka and Chittagong stock exchanges who want the incentive must have to submit an investment proposal before getting the waiver from the government, he said.
- The issue of tax cut proposal came to the fore since the sales of the DSE shares to a Chinese consortium of Shenzhen and Shanghai stock exchanges. The Chinese group on September 4 bought DSE's 25% shares worth of BDT 947 crore and became its strategic investor and the bourse would also float 35% of its shares through an initial public offering.

<http://www.newagebd.net/article/50445/govt-to-cut-capital-gains-tax-on-bourse-shareholders-to-5pc-muhith>

Parliament passes Textile Bill 2018

Dhaka Tribune, September 13, 2018

- Parliament has passed the Textile Bill 2018 which aims to maintain the quality of textile products as Bangladesh earns huge foreign currency from apparel exports. State Minister for Textiles and Jute Mirza Azam tabled the bill and it was passed by voice vote on Wednesday.

- As per the draft law, a directorate will be formed with a director general (DG), who will be appointed by the government. The DG will also work as its registrar. The directorate's officers will be responsible to inspect quality and standard of various elements used in textile products including paint and other chemicals.
- The government will also establish a laboratory of international standard to carry out the inspections and standard tests. About the provision of punishment, the proposed law stated that the registration of any company can be suspended or even cancelled for giving wrong or false information while getting registered.

<https://www.dhakatribune.com/bangladesh/2018/09/13/parliament-passes-textile-bill-2018>

Economy

BB issues guideline on unclaimed deposits

The Daily Star, September 13, 2018

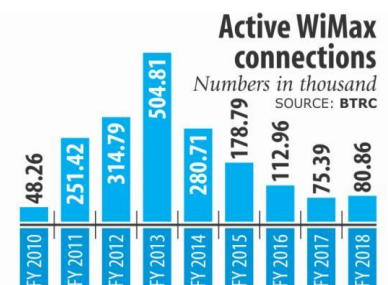
- The central bank yesterday said unclaimed bank deposits would be transferred to the government account if no demand is received for refund of the inoperative deposit for 12 years. Deposits and assets at banks not claimed by anyone for 10 years are considered unclaimed, according to guidelines released by Bangladesh Bank yesterday.
- Banks will have to submit the unclaimed fund and asset to the central bank first and two years later the BB will transfer those to the government account. Before submitting the fund and assets to the BB, commercial banks will have to send a registered letter through the post office to the client's address mentioned in their accounts. Clients will have to be given three months to reply to the letter.
- If clients do not give any feedback, banks will have to submit such funds and assets to the central bank in April of every calendar year. After transferring the funds and assets to the BB, banks will have to publish advertisements in at least two newspapers once every three months for a year. If anyone comes up with a claim after the transfer to the central bank, the banks will have to submit the clients' applications along with required documents. No claim would be accepted after 12 years.

<https://www.thedailystar.net/business/news/bb-issues-guideline-unclaimed-deposits-1633225>

WiMax on brink of extinction

The Daily Star, September 13, 2018

- Once a popular wireless broadband service, WiMax is on the brink of extinction in Bangladesh as operators lost 84 % of their customers in the last five years and failed to make profits amid the onslaught of high-speed mobile internet.
- A decade ago two operators -- Banglalion and Qubee -- were awarded WiMax (worldwide interoperability for microwave access) licences at a fee of BDT 215 crore each. Since then, both spent more than BDT 2,000 crore in total on network and customer acquisition. The number of users reached a peak of 5.05 lakh in June 2013, just before mobile phone operators rolled out 3G service.
- The number of customers totalled 75,391 in June last year after Ollo, which got licence in 2013 and started business through long-term evolution (LTE) technology in 2015, pulled some new customers. As of June, the number of customers of the third operator has reached 36,041.



- The WiMax operators are now switching to the LTE, which is now the standard for high-speed wireless communication for mobile phones and data terminals, to retain existing customers and draw new ones. Both 4G and LTE are the fastest mode of wireless connectivity.

<https://www.thedailystar.net/business/news/wimax-brink-extinction-1633231>

LINKING POS TERMINALS WITH BB PLATFORM

Banks get more time

The Daily Star, September 13, 2018

- Bangladesh Bank yesterday ordered banks to connect their point of sales (POS) terminals with the National Payment Switch Bangladesh by December 2019. Banks were earlier asked to connect their POS terminals with the domestic ATM sharing network governed by the banking regulator by December 2017.
- The deadline extension came as many banks are yet to comply with the instruction of the central bank, said a BB official. Some 48 banks are presently interoperable for POS transactions through the payment switch. The facility allows cardholders from any of the banks to use POS terminals of all the member lenders in merchant outlets for retail purchases, according to the central bank website.
- Most banks have showed unwillingness to settle card-based transactions routing only the NPSB, saying they need alternative channels for fair competition and customers' security, a top official of a private bank said. If the NPSB faces any troubles, the alternative gateway system will be able to settle transactions, he said.
- The NPSB started its operation in 2012 with a view to attaining interoperability among banks for all card-based and online retail transactions. At present; it is processing inter-bank automated teller machines, POS and fund transfer through internet banking.

<https://www.thedailystar.net/business/news/banks-get-more-time-1633228>

InterContinental Dhaka commercial operations begin early Nov

PM inaugurates the renovated hotel today

New Age, September 13, 2018

- Commercial operations of InterContinental Dhaka, formerly known as Sheraton and then as Ruposhi Bangla, may start in early November though the hotel is set to reopen today after four years of closure for renovation. At a press briefing civil aviation and tourism minister AKM Shajahan Kamal on Wednesday said that prime minister Sheikh Hasina was expected to inaugurate the hotel today after completion of renovation activities. The ministry arranged the briefing in its conference room on occasion of inauguration ceremony.
- Civil aviation secretary Md Mohibul Haque said that the hotel might resume commercial operation in the first week of November as the operator would need some more time to conduct accuracy test of service procedures.
- In September 2014, the operation of state-owned Ruposhi Bangla Hotel was shut down for renovation work after the government signed a 30-year management agreement with InterContinental Hotels Group (Asia Pacific) Pte Ltd. (IHG). Earlier, the group had run the hotel from 1966 to 1983, and then US-based Starwood ran the hotel with brand name Sheraton until April 2011.
- Of the total rooms, 201 are premium or deluxe rooms, 10 deluxe suites, five superior suites, five diplomatic suites and five presidential suites, according to the state-run Bangladesh Services Limited, the owner of the hotel. There are also two ballrooms and seven meeting rooms provide more than 21,000 square feet for conferences and exhibitions. Now one ballroom can accommodate 1,000 people, double the previous capacity.

<http://www.newagebd.net/article/50447/intercontinental-dhaka-commercial-operations-begin-early-nov>

NBR revenue collection BDT 2871cr short of July target

New Age, September 13, 2018

- Revenue collection by the National Board of Revenue fell BDT 2,871 crore or 17% short of target in July, the first month of the current fiscal year 2018-2019, mainly due to poor performance of value-added tax and customs wings of NBR.
- The revenue board also registered a dismal revenue collection growth of 4.86% in July compared with the same month of last year. The year-on-year revenue receipts growth was 27% in July last year.
- NBR data released on Wednesday showed the tax authorities collected BDT 13,868 crore in revenue — income tax, customs duty and VAT — in July, up by only BDT 642 crore in the same month of last year. The amount of revenue earning was BDT 13,226 crore in July last year. The revenue earnings target of NBR was BDT 16,739 crore for July this year.
- Collections of customs duty at import stage grew only by 1.49% and VAT collection grew by 0.61% in July. Income tax collection, however, witnessed a modest growth at 17.51% in the month.

<http://www.newagebd.net/article/50448/nbr-revenue-collection-BDT-2871cr-short-of-july-target>

19th Textech Bangladesh International Expo begins

Dhaka Tribune, September 13, 2018

- Parliamentary Speaker Dr Shirin Sharmin Chaudhury and Indian High Commissioner to Bangladesh Harsh Vardan Shringla inaugurate the 19th Textech Bangladesh expo on Wednesday Courtesy. 'All our sectors are gradually flourishing thanks to necessary policies enacted by the government. We will earn \$60 bn from exports by 2021'
- The four day long 19th Textech Bangladesh International Expo began at International Convention City Basahundhara (ICCB) in Dhaka on Wednesday. Conference and Exhibition Management Services Ltd (CEMS-Global) is presenting the expo along with two others at the same venue- the 14th Dhaka International Yarn and Fabric Show, and 33rd Dye+Chem Bangladesh Expo. The exhibitions will run from September 12-15, and is open from 10am to 7:30pm.
- According to the Indian high commissioner, India is one of the biggest sources of raw materials and machinery for the Bangladesh readymade garment (RMG) industry, and a large part of India's exports to Bangladesh consist of inputs for the industry. "Around one fourth of Bangladesh's demand for raw cotton and yarn is met by Indian suppliers."

<https://www.dhakatribune.com/business/2018/09/13/19th-textech-bangladesh-international-expo-begins>

International

Myanmar's Suu Kyi says in hindsight could have handled Rakhine issue better

Dhaka Tribune, September 13, 2018

- Myanmar State Counsellor Aung San Suu Kyi speaks at the plenary session of the World Economic Forum on ASEAN at the Convention Center in Hanoi, Vietnam September 12, 2018 Reuters
- Some 700,000 Rohingya Muslims fled Rakhine after government troops led a brutal crackdown in 2017. Myanmar leader Aung San Suu Kyi on Thursday said in hindsight her government could have handled the situation in Rakhine state better.

- Some 700,000 Rohingya Muslims fled Rakhine after government troops led a brutal crackdown in Myanmar's Rakhine state in response to attacks by the Arakan Rohingya Salvation Army on 30 Myanmar police posts and a military base in August 2017.

<https://www.dhakatribune.com/world/south-asia/2018/09/13/myanmar-s-suu-kyi-says-in-hindsight-could-have-handled-rakhine-issue-better>

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