

## Stock Market & Company

### Stocks gain for 5th day as banks surge

New Age, December 02, 2019

- Dhaka stocks rose on Sunday, extending the gaining streak to five sessions, as investors increased buying of shares of banks and non-bank financial institutions after the recent plunges in the scrips' prices. DSEX, the key index of Dhaka Stock Exchange, added 0.57 per cent, or 27.37 points, to close at 4,758.81 points on Sunday.
- The DSEX gained 70 points in last five sessions. In line with the previous session, the market started gaining from the very beginning on Sunday and maintained the momentum until the end of the session as investors went for buying shares of banks and NBFIs, market operators said.
- The price of LafargeHolcim Bangladesh shares continued rising after the company recently informed the DSE that the High Court Division had approved the scheme of amalgamation of Holcim Cement (Bangladesh) Limited with LafargeHolcim Bangladesh Limited. A section of investors were worried about the financial sector as the media reported on November 28 that banks' defaulted loans swelled to Tk 1,16,288 crore in September after adding Tk 3,863 crore in the July-September period.
- Turnover on the DSE advanced to Tk 521.64 crore on Sunday from Tk 430.2 crore in the previous day. LafargeHolcim Bangladesh led the turnover chart with its shares worth Tk 28.33 crore changing hands on the day.
- Fortune Shoes, United Finance, Paramount Textiles, LankaBangla Finance, Dutch-Bangla Bank, Shurwid Industries, Beacon Pharmaceuticals, Premier Bank and Bangladesh Export Import Company were the other turnover leaders.

<http://www.newagebd.net/article/92373/stocks-gain-for-5th-day-as-banks-surge>

## Economy and Industry

### Bangladesh Bank appoints committee to reduce interest rate at single digit

New Age, December 02, 2019

- Bangladesh Bank on Sunday appointed a seven-member committee led by its deputy governor M Moniruzzaman to prepare a roadmap for implementation of the government decision to reduce interest rates at single digit.
- The other members are Agrani Bank chairman Zaid Bakht, Standard Bank chairman Kazi Akram Uddin Ahmed, Rupali Bank managing director Obayed Ullah Al Masud, Mutual Trust Bank managing director Syed Mahbubur Rahman, IFIC Bank managing director Saleh Ahmed Sarwar and NRB Bank managing director Mehmood Husain. The committee is expected to submit recommendations in seven days.
- Commenting on the proposed asset management companies for reducing the bad loan amount, the minister said that approval would be sought from the cabinet for establishment of such entities.

- FID officials said that the government had fulfilled a number of demands pressed by the bank owners to make them agree to cut the lending rate.
- The demands included amendment of the Bank Company Act 1991 to allow four members of a family to be directors of a bank, up from the previous two, for three consecutive terms, or nine years, from the earlier two-terms or six years.

<http://www.newagebd.net/article/92400/bangladesh-bank-appoints-committee-to-reduce-interest-rate-at-single-digit>

## **Remittance soars 22.5pc in July-Nov on incentive**

New Age, December 02, 2019

- Remittance inflow rose by 22.54 per cent year-on-year in July-November of this fiscal year of 2019-2020 amid a sharp growth in remittance receipts in last three months due to disbursement of incentive against remittance and appreciation of the dollar against the taka.
- In the five months of FY20, the country received \$7.71 billion in remittance, up \$1.42 billion on \$6.29 billion in the same period of the previous fiscal year.
- Bangladesh Bank officials said that the inflow of remittance had witnessed a significant growth recently amid the government's move to issue 2 per cent cash incentive against the inward remittances. Apart from the incentive factor, depreciation of the local currency taka has become another incentive for the expatriates.
- In November, remittance inflow increased by 31.75 per cent or \$374.76 million year-on-year in November. Inflow of remittance increased to \$1.56 billion in November of FY20 from \$1.18 billion in the same month of FY19.
- In FY19, remittance inflow hit record \$16.4 billion, breaking the previous highest of \$15.32 billion in FY15. The inflow of remittance in FY19 was 9.48 per cent or \$1.42 billion higher than the amount received in FY18, \$14.98 billion.

<http://www.newagebd.net/article/92371/remittance-soars-225pc-in-july-nov-on-incentive>

## **New DMD for One Bank**

The Daily Star, December 02, 2019

- John Sarkar has recently been promoted to deputy managing director of One Bank. He was previously an additional deputy managing director, company secretary and head of human resources, said a One Bank statement yesterday.
- Sarkar started his banking career as a probationary officer of Arab Bangladesh Bank (presently AB Bank) in 1986. He holds a master's degree in economics.

<https://www.thedailystar.net/business/news/new-dmd-one-bank-1834534>

## **Economic woes grow as private sector credit growth hits fresh 9-yr low**

New Age, December 02, 2019

- The private sector credit growth hit a fresh nine-year low of 10.04 per cent in October this fiscal year (2019-2020), reflecting a gloomy state of the country's economy. Besides, a sharp rise in the government's borrowing from the banking system and sluggish business activities in the country were other reasons for the plunge in credit flow to the private sector.
- The private sector credit growth in October was the lowest since the 6.09-per cent growth in September of the fiscal year of 2010-2011. As per the Bangladesh Bank data, the amount of credit to the private sector stood at Tk 10,25,958.4 crore in October this year against Tk 9,32,345 crore in October last year.
- 'Like the other indicators, the private sector credit growth is showing the same downward trend, and it only reconfirms that the economy has weakened and continues weakening,' Policy Research Institute executive director Ahsan H Mansur told New Age on Sunday.
- The country's export earnings in the first four months (July-October) of FY20 posted a negative growth, while import payments also dipped in the first quarter (July-September) while tax revenue collection also languished in the first quarter.
- In line with the stagnancy in private sector credit in FY19, the growth fell constantly in the four months of FY20. The growth rate was 11.26 per cent year-on-year in July, 10.68 per cent in August and 10.66 per cent in September.
- Economists and bankers said a fall in import of capital machinery and industrial raw materials in recent months indicated stagnancy in investment in the country.

<http://www.newagebd.net/article/92369/economic-woes-grow-as-private-sector-credit-growth-hits-fresh-9-yr-low>

## **International**

### **Opec and allies may deepen oil cuts**

The Daily Star, December 02, 2019

- Opec and allied oil producers will consider deepening their existing oil output cuts by about 400,000 barrels per day (bpd) to 1.6 million bpd, Iraq's oil minister said on Sunday.
- The minister, Thamer Gadhban, told reporters in Baghdad that the Organization of the Petroleum Exporting Countries and its allies, together known as Opec+, will consider increasing the cuts in their supply pact at meetings in Vienna this week.
- Opec+ oil exporters have coordinated output for three years to balance the market and support prices. Their current deal, which agreed to cut supply by 1.2 million bpd from January this year, expires at the end of March.
- Gadhban added that Iraq, as of Sunday, has exceeded 100 percent commitment with the supply deal and that an agreement capping production from the semi-autonomous Kurdistan region will also aid compliance.

- Iraq, Opec's second-biggest oil producer behind Saudi Arabia, exported crude at an average rate of 3.5 million bpd in November, the oil ministry said on Sunday. Its total oil output averaged 4.62 million bpd in November, a Reuters survey showed.

<https://www.thedailystar.net/business/news/opec-and-allies-may-deepen-oil-cuts-1834528>

## **India plans to invest \$1.39t in infra to spur economy**

New Age, December 02, 2019

- Construction workers fasten iron rods at the construction site of a bridge being built on a highway in the western Indian city of Ahmedabad. — Reuters photo
- India would unveil a series of infrastructure projects this month as part of a plan to invest 100 trillion rupees (\$1.39 trillion) in the sector over the next five years, the finance minister said on Saturday, in a push to improve the country's economy.
- Nirmala Sitharaman's comments, as cited in local newspapers, followed data released on Friday that showed India's economic growth slowed to 4.5 per cent in the July-September quarter — its weakest pace since 2013 — upping the pressure on prime minister Narendra Modi's government to speed reforms.
- 'A set of officers are looking into the pipeline of projects that can be readied so that once the fund is ready, it could be front-loaded on these projects,' Sitharaman said at a business summit in Mumbai, the newspapers reported.
- Modi came to power in 2014 on the promise to improve India's economy and boost foreign investments, but he has struggled to meet those aims due to a lack of structural reforms. Modi won a second term in May and has taken various measures since 2014 to spur growth, including cutting the corporate tax and speeding up privatisation of state-run firms.

<http://www.newagebd.net/article/92383/india-plans-to-invest-139t-in-infra-to-spur-economy>

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