

Stock Market & Company

Dhaka stocks fall on profit taking

New Age, December 03, 2019

- Dhaka stocks declined on Monday, ending a five-day gaining streak as a section of investors rushed to book profits for fear that the market would return to the losing track amid bleak outlook for the country's economy and financial sector. DSEX, the key index of Dhaka Stock Exchange, lost 0.5 per cent, or 24.21 points, to close at 4,734.59 points on Monday after gaining 70 points in previous five sessions.
- The market opened with positive momentum, but the vibe did not sustain for long as the core index moved downwards to end the session in the negative trajectory as investors went for selling shares, market operators said.
- 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.
- Banks' defaulted loans continued swelling to stand at Tk 1,16,288 crore in September after adding Tk 3,863 crore in the July-September period. The media recently reported that the net foreign investment at the DSE remained negative for last nine consecutive months. It dipped to Tk 99 crore negative in November after Tk 96.92 crore negative in October.
- Turnover on the DSE dropped to Tk 482.47 crore on Monday from Tk 521.64 crore in the previous day. LafargeHolcim Bangladesh led the turnover chart with its shares worth Tk 13.83 crore changing hands on the day. Premier Bank, IFIC Bank, Square Pharmaceuticals, Dutch-Bangla Bank, Fortune Shoes, National Tubes, Exim Bank and City Bank were the other turnover leaders.

<http://www.newagebd.net/article/92469/dhaka-stocks-fall-on-profit-taking>

DSE declares 5pc cash dividend amid poor earnings

New Age, December 03, 2019

- The board of directors of Dhaka Stock Exchange on Monday declared 5 percent cash dividend for its shareholders for the financial year of 2018-19.
- The board also declared profits of Tk 97.50 crore in the financial year of 2018-19 after it had netted Tk 104 crore in the previous financial year.
- Considering 180,37,76,500 shares of the DSE, its earnings per share decreased to Tk 0.54 in FY19 from Tk 0.58 in FY18.
- The profits in FY19 were the lowest after FY12 when the bourse fetched Tk 94.4 crore. The bourse became demutualised in November, 2013. The bourse made Tk 123.91 crore in profits in FY17, Tk 119.82 crore in FY16, Tk 134 crore in FY15 and Tk 135 crore in FY14.
- The bourse witnessed a continued profit fall due mainly to prolonged bearish trend at the market and poor business activities by the country's premier bourse.

<http://www.newagebd.net/article/92470/dse-declares-5pc-cash-dividend-amid-poor-earnings>

Economy and Industry

China offers \$2.13b fresh loans for two projects

The Daily Star, December 03, 2019

- China will sign agreements by next June to provide \$2.13 billion in loans for two more projects, including one on the construction of the Dhaka-Ashulia elevated expressway.
- The joint working group was formed to probe slow progress of 27 projects involving around \$20 billion that China had agreed to provide during its President Xi Jinping's Dhaka visit in October 2016.
- Until November, loan agreements -- which is the last step before the release of funds -- for six projects involving \$5.71 billion were signed and \$1.09 billion was disbursed.
- The finance ministry official said China confirmed that it would sign deals within this fiscal year to finance two projects.
- One involves \$1.15 billion over the construction of the Dhaka-Ashulia elevated expressway while the other \$970 million for strengthening the Power Grid Company of Bangladesh's power grid network.
- Another top-level finance ministry official told The Daily Star that the joint working group's first meeting was being considered to be fruitful as the upcoming agreements would take this fiscal year's loan commitment to \$3.52 billion.

DEALS SIGNED TILL NOV 2019

Projects	Deal signed	Total loans (in million)	Disbursed (in million)
Karnaphuli river tunnel	Oct 2016	\$689.35	\$266.31
Info-Sarkar	Oct 2017	\$151.64	\$138.63
Single-point mooring in Maheshkhali	Nov 2017	\$550.67	\$81.22
Telecom network upgrade	Apr 2018	\$224.96	\$72.53
Padma bridge rail link	Apr 2018	\$2,667.94	\$533.58
Expansion of power network in Dhaka	Jul 2019	\$1,402.93	Yet to start

<https://www.thedailystar.net/business/news/china-offers-213b-fresh-loans-two-projects-1835029>

Remittance inflow increases by 31.75pc in November

The Financial Express, December 03, 2019

- Bangladesh received \$1,555.22 million in remittance in November of the current fiscal, which is apparently 31.75 per cent higher than that of same month of previous year, according to Bangladesh Bank (BB) data.
- The country received \$1,180.44 million remittances during the month of November in 2018-19 financial year, the central bank said.
- Expatriate Bangladeshis sent \$ 7,714.19 million remittances during the first five months of the current fiscal 2019-20. During the month of October, the country received \$1,639.62 million while \$1,476.91 million in September, \$1,444.75 million in August and \$1,597.69 million in July of the fiscal 2019-20.

<https://thefinancialexpress.com.bd/economy/bangladesh/remittance-inflow-increases-by-3175pc-in-november-1575292338>

Bangladesh Bank hikes MFS cash-in limit for remittance receivers

New Age, December 03, 2019

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- The Bangladesh Bank on Monday raised the cash-in limit of mobile financial service (MFS) for inward remittances. Remittance up to Tk 1.25 lakh, including 2 per cent incentive, brought through the banking channel now can be deposited to a MFS account, said a BB circular issued on the day.
- Customers are normally allowed to feed money into MFS account highest Tk 30,000 in five times a day, while the limits are Tk 2 lakh and 25 times a month.
- BB officials said that the central bank relaxed the cash-in limit specifically for the remittance beneficiaries in rural areas. As the remittance beneficiaries are mostly live in rural areas, the MFS is considered as one of the quickest way of providing them with financial services, prompting the central bank to ease the limit only for the purpose, they said.
- As per the BB rules, remittance beneficiaries are entitled to get 2 per cent cash incentive against receipt of \$1,500 without providing any document. For receiving the incentive for any higher amount, beneficiaries must provide documents.
- However, other MFS transactions limit including the regular withdrawal will remain unchanged. In case of person-to-person MFS transaction, the limit is Tk 25,000 for each day and maximum Tk 70,000 in a month.

<http://www.newagebd.net/article/92466/bangladesh-bank-hikes-mfs-cash-in-limit-for-remittance-receivers>

BB issues gold dealer registration to 17 entities, 1 bank

New Age, December 03, 2019

- The Bangladesh Bank has awarded gold dealer registrations to 18 entities including one bank, Modhumoti Bank, to import gold bars directly from international market, especially from Dubai of the United Arab Emirates.
- Apart from the bank, Amin Jewellers, Aroosa Gold Corp, Rotno Gold Corner, Amin Jewellers Limited, BDEX Gold and Diamond Ltd, Buraq Commodities Exchange Company, D Damas The Art of Jewellery, Diamond World, Golden World Jewellers, Jarwa House, Jewellery House, Laxmi Jewellers Ltd, M.K. International, Milon Bazar, Riya Jewellers, SQ Trading and Engineering and Sreeja Gold Palace Limited have got the registration.
- The gold dealership registration will remain valid for two years and could be renewed upon payment of Tk 2 lakh in fees along with complying with other conditions.
- However, Bangladesh Jewellers Samity president Ganga Charan Malakar, who also applied for gold dealer licence for Venus Jewellers, told New Age on Monday that the number of registered gold dealers might increase as many of the applications were not considered for minor mistakes.
- Currently, a passenger can bring 100 grams of gold to the country without paying duty and 234 grams with paying duty under the baggage rules of the NBR.
- As per the estimation of the jewellers, the country's present demand for the precious metal is around 42 tonnes or 42,000 kilograms a year.

<http://www.newagebd.net/article/92467/bb-issues-gold-dealer-registration-to-17-entities-1-bank>

International

China's factory activity surprises with fastest expansion in 3yrs

The Daily Star, December 03, 2019

- China's factory activity showed surprising signs of improvement in November, with growth picking up to a near three-year high, a private sector survey showed on Monday, reinforcing upbeat government data released over the weekend.
- But analysts remain concerned about deflationary risks in the sector, unconvinced that the worst is over yet for Chinese manufacturers. They say the sub-indexes of both surveys painted a picture of patchy recovery that will be difficult to sustain.
- The Caixin/Markit manufacturing Purchasing Managers' Index (PMI) index rose to 51.8 in November from 51.7 in the previous month, marking the fastest expansion since December 2016, when it was 51.9. The 50-mark separates expansion from contraction on a monthly basis. Economists polled by Reuters had expected a dip to 51.4.
- Total new orders and factory production remained at buoyant levels in November, although they both eased slightly from record highs in the previous month, when they grew the fastest in over six years and nearly three years, respectively.

<https://www.thedailystar.net/business/news/chinas-factory-activity-surprises-fastest-expansion-3yrs-1835008>

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