

Stock Market

Stocks gain on bargain hunting after 3-day fall

New Age, February 05, 2019

- Dhaka stocks gained on Monday after a three-day fall as investors, encouraged by strong foreign portfolio investment data, went for bargain hunting especially from bank and energy sectors. DSEX, the key index of Dhaka Stock Exchange, advanced by 0.46 %, or 26.73 points, to close at 5,828.07 points on Monday after losing 123 points in the previous three sessions.
- The foreign investors bought shares worth BDT 495.19 crore in January against their sales of shares worth BDT 319.90 crore with the net investment standing at BDT 175.29 crore, according to the DSE data. On Monday, the energy and bank sectors gained 2.51 % and 0.49 % respectively. Besides, telecommunication, cement and non-bank financial institution also advanced by 1.77 %, 1.46 % and 0.14 % respectively.
- Among the prominent scrips, Grameenphone, United Power Generation Company, Powergrid Company and Titas Gas helped the index rebound on the day. Average share prices of life insurance, general insurance and food dropped by 6.45 %, 0.71 % and 0.21 % respectively that capped the gain on the day.
- Share prices of United Power Generation Company advanced by 1.88 % to cross BDT 400 mark as the company declared a 44.8-% profit growth for July-December, 2018 compared with that in the same period of 2017.
- The turnover on DSE dropped to BDT 889.05 crore on Monday compared with that of BDT 984.21 crore in the previous trading session. Of the 336 companies and mutual funds traded on Monday, 155 declined, 150 advanced and 42 remained unchanged.
- DSE blue-chip index DS30 added 0.71 %, or 14.36 points, to close at 2,018.20 points. Shariah index DSES gained 0.59 %, or 7.85 points, to finish at 1,319.23 points. Dulamia Cotton gained the most on the day with an 8.51-% increase in its share prices, while Global Insurance was the worst loser, shedding 10 %.

<http://www.newagebd.net/article/63832/stocks-gain-on-bargain-hunting-after-3-day-fall>

United Power sees moderate growth in EPS

The Financial Express, February 04, 2019

- United Power Generation & Distribution Company Limited (UPGDCL) has posted a moderate growth in EPS for July-December, 2018 compared to same period of the previous year. The company's EPS (separate) rose 15.18 % to close at BDT 5.31 for July-December. The EPS (separate) was BDT 4.61 for July-December, 2017
- The company reported its consolidated EPS of BDT 7.69 for July-December, 2018. The financial performance of the UPGDCL for July-December and October-December, 2018 were disclosed on the website of the Dhaka Stock Exchange (DSE) on Sunday
- On the day, the company also held a live session on Half Yearly 2018-19 financial performance through its website. After the live session, Mohammad Ebadat Hossain Bhuiyan, the chief financial officer (CFO) of the UPGDCL, said their company witnessed a sharp growth in consolidated EPS for July-December, 2018 following increased investments.
- The company's consolidated revenue rose to above BDT 5.78 bn for July-December, 2018. The consolidated net profit stood at above BDT 3.76 bn for same period of 2018. The company has also reported its consolidated EPS of BDT. 3.98 for October-December, 2018. The EPS (Separate) was BDT. 2.83 for October-December, 2017.
- The consolidated NOCFPS was BDT. 7.64 for July-December, 2018 whereas NOCFPS (Separate) was BDT. 4.73 for July-December, 2017. The consolidated NAV per share was BDT. 70.38 as on December 31, 2018 whereas NAV per share (Separate) was BDT. 31.82 as on December 31, 2018.

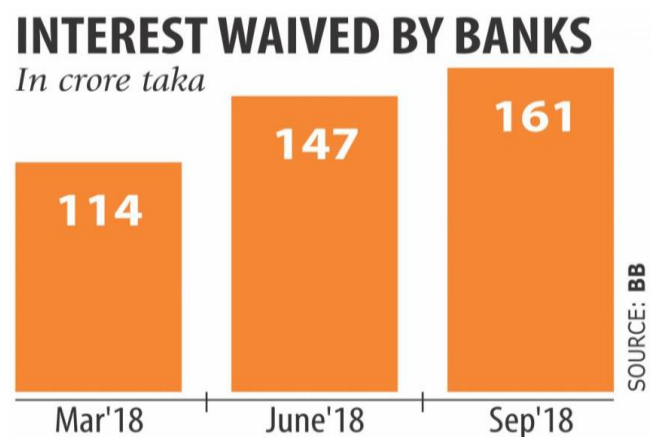
- The UPGDCL disbursed 90 % cash dividend and 20 % stock dividend for the year ended on June 30, 2018. The UPGDCL, presently an 'A' category company, was listed with the stock exchanges in 2015. The company's sponsor-directors hold 90 % shares, institutions 5.43 %, foreign shareholders 0.13 % and general shareholders 4.44 % as of December 31, 2018. The share price of the UPGDCL closed at BDT 393.60 on Sunday with a marginal rise of 1.64 % or BDT 6.40 on the Dhaka Stock Exchange (DSE).

<http://thefinancialexpress.com.bd/stock/united-power-sees-moderate-growth-in-eps-1549254705>

Banks waive BDT 422cr interest in 9 months against default loans

The Daily Star, February 05, 2019

- Banks waived interests amounting to BDT 422.14 crore against their bad loans in the first nine months of 2018, as habitual defaulters continue to enjoy impunity for their delinquency. This is, however, 48 % down from BDT 819 crore in the same period a year ago, largely because some waivers were not duly reported to the central bank by the lenders.
- The practice of handing out interest waiver took off recent years following pressure from influential corners. But, such facilities failed to curb the bulging default loans. Banks' non-performing loans hit nearly BDT 1 lakh crore at the end of September last year -- the largest yet in Bangladesh's 48-year-history.
- In the same quarter, the amount of toxic loans increased 11.23 % to BDT 99,370 crore. The amount is up 24 % from a year earlier. Some BDT 764 crore was waived in 2016 and BDT 1,753 crore in 2017, according to data from the central bank.



<https://www.thedailystar.net/business/news/banks-waive-BDT-422cr-interest-9-months-against-default-loans-1697683>

Economy

Trade deficit drops by 11pc in H1

New Age, February 05, 2019

- Country's trade deficit eased by 11.22 % in July-December in the current fiscal year (2018-19) compared with that in the same period of the last fiscal year (2017-18) amid slowdown in import growth and strong export earnings, especially from readymade garment sector.
- According to latest Bangladesh Bank data, country's trade deficit stood at \$7.66 bn in July-December of FY19, down from \$8.62 bn in the same period of FY18. However, the country's trade deficit in the first half of the current fiscal year still remained 69.84 % or \$3.15 bn higher than the \$4.51 bn trade deficit in July-December of FY17.
- Officials of the central bank said that the country's trade situation in the first half of the current fiscal year was in inverse relation to the situation in the same period last fiscal year. In FY18, export growth was lenient against a strong import growth. On the other hand, export in the first half of FY19 showed strong growth while import growth was subdued.

- Import and export growth was 25.76 % and 7.8 % respectively in July-December of FY18. In the same period of the current fiscal year, import and export growth was 5.73 % and 14.01 % respectively. In July-December of FY19, the country's export earnings increased to \$20.16 bn from \$17.67 bn in the first half of FY18.
- RMG export grew by 15.65 % to \$17.09 bn in the first six months against \$14.77 bn in the same period of the previous fiscal year. Import payments stood at \$27.82 bn in July-December of FY19 while the figure was \$26.31 bn. Experts said that trade deficit still remained high.
- Deficit in the overall balance, however, stood at \$513 mn in July-December of FY19 from that of \$354 mn in the same period of FY18. In the period, the situation of current account balance also improved as the deficit dropped to \$3.08 bn from \$5.07 bn in the same period of last fiscal year due to a rise in remittance inflows.

<http://www.newagebd.net/article/63828/trade-deficit-drops-by-11pc-in-h1>

State-owned financial entities indifferent to timely settlement

The Financial Express, February 05, 2019

- A total of 38,729 audit objections, involving a sum over BDT1.48 trillion, with different state-run banks and agencies, including the Bangladesh Bank (BB), have long remained unresolved.
- The audit objections, raised by the Commercial Audit Directorate under the office of Comptroller and Auditor General (CAG), remained pending against the central bank, ten state-owned banks and five state agencies as of December 2018, according to the financial institutions division (FID) data
- Of the total, 36,179 objections involving BDT 1.28 trillion are against five state-owned commercial banks and five specialised banks. The number of audit objections with Bangladesh Bank (BB) stands at 1,035, involving over BDT116.344 bn. Of the banks, the state-owned Janata Bank alone has 5724 unsettled audit objections involving BDT 395.93 bn, according to a finance ministry report.
- There are 6615 audit objections involving over BDT 286 bn with the Sonali Bank, 5477 audit objections (BDT 213.75 bn) with the Agrani Bank, 5413 audit objections (BDT 185.38 bn) with the Rupali Bank, 898 audit objections (BDT 94.65 bn) with the BASIC Bank Limited, 6687 audit objections (BDT 68.54 bn) with Bangladesh Khrishi Bank and 4156 audit objections (BDT 17.63 bn) with the Rajshahi Krishi Unnayan Bank.
- Of the state agencies, Bangladesh House Building Finance Corporation (BHBFC) has 265 audit objections involving BDT 3.15 bn, the Investment Corporation of Bangladesh (ICB) has 105 objections (BDT 16.81 bn), Sadharan Bima Corporation has 582 objections (BDT 50.35 bn), Jiban Bima Corporation has 531 objections (BDT 4.14 bn) and the Security Printing Corporation (Bangladesh) has 32 objections (BDT 1.68 bn), according to the FID.

By the numbers

Audit objections unsettled

38,729 involving
Tk 1.48 trillion

*Of these five SCBs and
five specialised banks*

36,179 involving
Tk 1.28 trillion



<http://thefinancialexpress.com.bd/trade/state-owned-financial-entities-indifferent-to-timely-settlement-1549336315>

Move to import LNG from spot market

Petrobangla initiates deals with 15 suppliers

The Financial Express, February 05, 2019

- The state-run Petrobangla has planned to import around one-fourth of the country's total LNG requirement from the spot LNG market to keep open the option of sourcing the fuel from diverse sources. Petrobangla has already initiated deals with a total of 15 global suppliers to import LNG from the spot market.
- The companies include Mitsui, ENI, Total, AOT Energy, Woodside Petroleum Ltd., Chevron Corp, Gunvor and local Summit Group, said the official. Spot market is a market in which commodity is bought or sold for immediate delivery or delivery in the very near future.
- Spot market for the LNG was developed recently with the gluts of LNG output alongside the growth of emerging markets for LNG. Currently, Bangladesh has been importing LNG from two long-term suppliers -- Qatar's RasGas and Oman's Oman Trading International (OTI) -- to re-gasify LNG in the lone operational 3.75 mn tonne per annum (Mtpa) FSRU owned by the US-based Excelerate Energy at Moheshkhali island in the Bay of Bengal.
- The country's second FSRU is expected to come online by April 2019. Early last year, the state-run Rupantarita Prakritik Gas Company Ltd. (RPGCL), a wholly owned subsidiary of Petrobangla, had selected 30 global firms and their consortia to purchase LNG on spot basis following a competitive tender.
- The imported spot LNG should have a gross heating value ranging 1,025-1,100 Btu per standard cubic feet (scf). This spot LNG would require to be blended with locally produced natural gas, which is sulfur-free and sweet gas, before it is delivered to the end-user. As a result, the sulfur content in the imported LNG could be low
- The selected firms would have to supply LNG on a delivered ex-ship basis and the vessel size should range between 125,000 cubic metres and 220,000 cubic metres. The RPGCL will procure spot LNG based on market prices, terminal availability, increased re-gasification capacity and downstream demand. Petrobangla has so far imported LNG through 15 regular cargoes and one commissioning cargo as of January 29, 2019.
- The country's natural gas production is hovering at around 2,750 mn cubic feet per day (mmcf) against the demand of nearly 4,000 mmcf, according to Petrobangla. The country's LNG demand is expected to exceed 8.0 Mtpa by 2023.

<http://thefinancialexpress.com.bd/trade/move-to-import-lng-from-spot-market-1549337749>

International

Boeing aims to speed up 737 jet production in early June

The Financial Express, February 05, 2019

- Boeing is pushing to speed up assembly of its best-selling 737 jetliner in the first week of June, two people familiar with the plan said on Monday, as it tries to keep up with soaring global demand and its European rival. The US-based aircraft manufacturing giant aims to reach the new rate of 57 single-aisle jets per month starting on June 3, up from the current rate of 52, said one of the people, reports Reuters.
- The goal is contingent on the world's largest planemaker overcoming persistent supplier delays on engines and other issues that have hobbled the 737 factory to varying degrees since last summer, though Boeing says it is making progress.
- The extra five planes a month is key to Boeing's effort to raise profit margins on its top-selling jetliner, which can carry a list price ranging from around \$85.8 mn to \$129.9 mn and are the company's largest source of profit. The more planes Boeing makes a month, the less it usually pays suppliers for the parts.

- Boeing has said it would increase production later this year but has not released specifics. A spokesman declined to provide more details. European rival Airbus SE is on the brink of producing 60 aircraft per month of its best-selling single-aisle A320-family, a rate roughly comparable to Boeing's given the long European summer holiday.

<http://thefinancialexpress.com.bd/trade/boeing-aims-to-speed-up-737-jet-production-in-early-june-1549339769>

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