

## Stock Market & Company

### Dhaka stocks back in red zone as economic worries take toll

New Age, December 08, 2019

- Dhaka stocks slumped in the past week as investors were concerned about the gloomy state of the country's economy. DSEX, the key index of the Dhaka Stock Exchange, lost 1.27 per cent, or 60.1 points, over the past week to close at 4,671.34 points on the last trading session of the week on Thursday, after gaining 24.77 points in the week before.
- The market witnessed falls in most of the sessions in the past week as investors became concerned about the sudden stagnant condition in some of economic indicators, market operators said. They said that a continuous fall in the private sector credit growth, negative export earnings growth for the last four months and poor tax revenue collection reflected the gloomy state of the economy.
- The private sector credit growth hit a fresh nine year-low of 10.04 per cent in October amid stagnant business conditions. Export earnings fell for the fourth consecutive month in November of 2019-20, standing at \$3.05 bn against \$3.42 bn in the corresponding period of FY 2018-19.
- Apart from that, the government's outstanding borrowing from the banking sector increased to BDT 1,41,682.64 crore on October 30 from BDT 1,08,095.7 crore on June 30 this year, that has become a heavy drag on the financial market.
- Concerns over the country's economy also prompted foreign investors to continue withdrawing funds for the last nine months. Net foreign investment at the DSE dipped to BDT 99 crore negative in November after BDT 96.92 crore negative in October.
- The daily average turnover on the DSE dropped to BDT 462.19 crore over the past week from BDT 475.21 crore in the week before. LafargeHolcim Bangladesh led the turnover chart for the third consecutive week with shares worth BDT 75.19 crore traded during the week.

<http://www.newagebd.net/article/92956/dhaka-stocks-back-in-red-zone-as-economic-worries-take-toll>

### BSEC approves 14 AMCs in 2yrs

New Age, December 08, 2019

- Capital market regulator Bangladesh Securities and Exchange Commission gave approval to 14 asset management companies in last two years but AMCs failed to play due role in the market during its recent rout.
- So far 44 AMCs have got the BSEC approval. Of them, 30 were approved by the current commission headed by chairman M Khairul Hossain.
- In last three years, the current commission approved 19 AMCs despite a small number of AMCs could run their business properly and the others are struggling at the market.
- The AMCs have failed to play due role at the bearish market that has also irked investors, market experts said. Seven AMCs got BSEC approval in 2019 and seven others in 2018. Market experts said that it was not understandable why so many AMCs got approval from the regulatory body.

- They said there was no need of so many asset management companies in the country. Investors have remained depressed about the performance of the mutual funds since the market crash in 2010-2011 as most of the mutual funds failed to perform up to the investors' expectation, stockbrokers said.

<http://www.newagebd.net/article/92870/bsec-approves-14-amcs-in-2yrs>

## Home-grown brands bag 4 top positions in best brand award

New Age, December 08, 2019

- Mobile financial service provider Bkash has become the best brand followed by RFL Plastics, Radhuni and Ispahani Mirzapore Tea among the 100 most preferred brands in the country in 2019, according to a private platform ranking.
- This is the first time in history of the 11 editions of the Best Brand Award that all top four positions in the overall brands rank have been secured by home-grown brands.
- Bangladesh Brand Forum on Saturday handed over the awards to top 15 brands, five most consistent brands of the decade and top 100 brands in 34 categories as the most loved brands of Bangladesh in 2019.
- The brands are selected based on a global model (Winning Brands TM) and through a direct consumer survey of 4,000 consumers conducted across the country by Neilson Bangladesh.

TOP 15 IN BEST BRAND AWARDS 2019		
Rank	Brand	Organisation
1	Bkash	bKash Limited
2	RFL Plastics	RFL Plastics
3	Radhuni	Square Food & Beverage Ltd.
4	Ispahani Mirzapore Tea	Ispahani Tea Ltd.
5	Grameenphone	Grameenphone Limited
6	Parachute Advanced Hair Oil	Marico Bangladesh Limited
7	Closeup	Unilever Bangladesh Limited
8	Shwapno	ACI Logistics Limited
9	Lux	Unilever Bangladesh Limited
10	PRAN Frooto	PRAN-RFL Group Ltd.
11	Sunsilk	Unilever Bangladesh Limited
12	Lifebuoy	Unilever Bangladesh Limited
13	7Up	Transcom Beverages Limited
14	Pepsodent	Unilever Bangladesh Limited
15	Walton	WALTON Group

<http://www.newagebd.net/article/92952/home-grown-brands-bag-4-top-positions-in-best-brand-award>

## IPDC rolls out blockchain-based supply chain finance platform

The Daily Star, December 08, 2019

- IPDC Finance Ltd has rolled out a blockchain-based supply chain finance platform, the first of its kind in Bangladesh, with a view to giving out low-cost loans to micro and small entrepreneurs.
- A blockchain is a database that is shared across a network of computers. Once a record has been added to the chain it is very difficult to change. To ensure all the copies of the database are the same, the network makes constant checks, according to Reuters.

- Blockchains have been used to underpin cyber-currencies like bitcoin but many other possible uses in areas such as banking and supply chain are emerging.
- Under the system, small enterprises across the country will get loans easily and at a lower cost as the platform will do away with existing manual process.
- The digital credit programme will play a role in reducing operational cost in loan disbursement and monitoring, the non-bank financial institution (NBFI) said.
- The platform will provide low-cost credit facilities and support to develop more than 25,000 small enterprises and businesses over the next five years. This will generate around 20 lakh new jobs with greater financial progress than ever before, Islam said.

<https://www.thedailystar.net/business/news/ipdc-rolls-out-blockchain-based-supply-chain-finance-platform-1837315>

## Economy and Industry

### Exports plunge by \$1.3b in five months as competitiveness slips

New Age, December 08, 2019

- The country's export earnings fell by 7.59 per cent or \$1.3 bn year-on-year in five months (July-November) of the current fiscal year 2019-20 with the earnings plunging for the fourth consecutive month in November.
- Exporters and economists said that a declining business competitiveness especially that of the readymade garment sector and flagging global economy kept taking toll on Bangladesh export shipments in November with earnings falling by 10.70 per cent in the month.
- Export Promotion Bureau data released on Thursday showed the country's export earnings in July-November of FY20 fell to \$15.77 bn from \$17.07 bn in the same period of FY19.
- Export earnings in November of FY20 declined to \$3.05 bn from \$3.42 bn in the same month of FY19. The earnings fell by 11.49 per cent in August, 7.30 per cent in September and 17.19 per cent in October of FY20.
- Export earnings in the five months of FY20 fell 12.59 per cent short of the government-set target of \$18.05 bn for the period. Exporters and economists said that both the prices and the consumption of readymade garments slumped globally due to the ongoing economic woes. At the same time Bangladesh is losing its competitiveness in the global market due to its overvalued currency and increasing cost of doing business, they said.
- 'Global economy has been facing a recession warning situation and the European Union is now the weakest market in the globe in terms of economic growth. Bangladesh depends largely on the EU market and the country's export earnings growth is intertwined with the EU economic growth,' Policy Research Institute executive director Ahsan H Mansur told New Age on Thursday.
- The EPB data showed that the earnings from the RMG exports in July-November of FY20 fell by 7.74 per cent to \$13.09 bn from \$14.18 bn in the same period of FY19.

<http://www.newagebd.net/article/92766/exports-plunge-by-13b-in-five-months-as-competitiveness-slips>

### 15 new factories to create 1 lakh jobs

The Daily Star, December 08, 2019

- When some industries are struggling with liquidity crisis and high lending rates, the ceramics sector has been getting five new factories on an average every year since 2017, industry players said.
- Riding on steady economic growth and rising purchases of consumers, another 15 factories are in the pipeline with an estimated investment worth around BDT 3,000 crore. These plants are expected to begin commercial operations in the next four years and will create much-needed employment for nearly 100,000 people.
- After entering the market with tiles and sanitary ware two years ago, Akij Ceramics is now investing a fresh BDT 500 crore to set up a tableware unit. The factory has set a target to produce 250 lakh pieces of tableware, which will elevate Akij to the ranks of Monno Ceramic Industries as the largest producer, according to data of the Bangladesh Ceramic Manufacturers and Exporters Association (BCMEA).
- Meghna Group of Industries, one of the country's largest conglomerates, is investing BDT 400 crore to set up a tiles factory at its economic zone in Narayanganj.
- Ceramics is a capital-intensive business as setting up a factory takes BDT 150 crore to BDT 200 crore. Presently, there are 54 ceramic factories that are manufacturing tiles, tableware and sanitary ware. BCMEA data showed tiles and sanitary ware's domestic demand to be higher than the existing production capacity.
- Three tiles makers -- Excellent Ceramic Industries, Hi-Tech Ceramics and Top One Ceramics -- will hit the market in three months. Another five factories of Akij Ceramics, JB Ceramics, Bangladesh Ceramic Industries, New Zhong Yuan Ceramics, and Sarmano Ceramics are expected to go into production next year. Four new companies, all tiles makers, are expected to commence production in 2021, according to the BCMEA.

<https://www.thedailystar.net/business/news/15-new-factories-create-1-lakh-jobs-1837330>

## International

### China's RMG industry reports lower revenue in first 10 months

The Financial Express, December 08, 2019

- The revenue of China's ready-made garment (RMG) industry was lower in the first 10 months of the current year, said the Ministry of Industry and Information Technology (MIIT). From January to October, the combined operating revenue of major garment enterprises each with an annual operating revenue of 20 mn yuan (about 2.8 mn US dollars) eased 0.2 per cent year on year to 1.31 trillion yuan, the MIIT data showed.
- Meanwhile, profits of those enterprises shrank 3.4 per cent to 68.5 bn yuan from the same period in the previous year, reports Xinhua. The output of the enterprises was down 0.8 per cent to a total of 20.3 bn pieces in the first 10 months of the year, according to the ministry.
- During the same period, the exports of clothing and accessories edged down 4.5 per cent year on year to 127.2 bn US dollars, said the MIIT.

<https://thefinancialexpress.com.bd/economy/global/chinas-rmg-industry-reports-lower-revenue-in-first-10-months-1575705826>

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