

Stock Market

Stocks fall in 5 out of 6 days after budget passage

New Age, July 09, 2019

- Dhaka stocks on Monday fell in five out of six sessions since parliament passed the Finance Bill 2019 imposing new taxes on the listed companies. DSEX, the key index of Dhaka Stock Exchange, shed 0.27 %, or 14.47 points, to close at 5,318.61 points on Monday after losing 47.70 points in the previous session.
- The index had only inched up by 8.58 points on Thursday on bargain hunting following a three-day fall. Despite Thursday's gain, the DSEX lost 111.43 points in six trading sessions since parliament passed the Finance Bill 2019 with the new tax measures on June 29.
- Except the insurance sector, prices of all the major sectors fell on the day with mutual funds shedding 4.5 %, telecommunication 1.9 %, ceramic 1.4 %, services 1.4 %, IT 1.2 %, textile 0.9 %, non-bank financial institution 0.6 % and bank 0.1 %.
- Share prices of the insurance sector rose by 2.5 %. Out of the 353 scrips traded on the day, 198 declined, 116 increased and 39 remained unchanged. Turnover on the bourse rose slightly to BDT 424.66 crore on the day from BDT 487.53 crore in the previous session.
- DS30, the blue-chip index of DSE, dropped by 0.22 %, or 4.22 points, to close at 1,886.16 points. DSE Shariah index DSES shed 0.42 %, or 5.22 points, to close at 1,216.23 points. National Life Insurance led the turnover chart with its shares worth BDT 18.86 crore changing hands.
- Pragati Life Insurance gained the most on the day with a 13-47 % increase in its share prices as the company offered two rights shares against each existing share while ICB Employees Provident MF1: Scheme 1 was the worst loser, shedding 9.86 %.

<http://www.newagebd.net/article/77892/stocks-fall-in-5-out-of-6-days-after-budget-passage>

People's Leasing faces liquidation

The Daily Star, July 09, 2019

- The government has directed the central bank to liquidate People's Leasing and Financial Services (PLFS), a non-bank financial institution, due to deterioration of its financial health in the last several years.
- If the liquidation goes through -- in line with the Financial Institutions Act, 1993 -- it will be a first in Bangladesh's financial sector.
- Previously, two banks -- Bank of Credit and Commerce International and Oriental -- that were on their last legs were restructured but not liquidated. Liquidation of PLFS means closing its operations permanently and the government will take actions to settle liabilities by selling off its assets. But the central bank as the regulator has to take approval from the High Court before liquidation.



Established in **1997**
Paid-up capital: Tk **285**cr
Deposits: Tk **2,000**cr
Loans: Tk **1,200**cr
Last dividend paid in **2014**
Face value: Tk **10** a share
Market value: Tk **4** a share
Earnings per share: Negative Tk **2**

- Earlier in 2018, the central bank also sought recommendation from the finance ministry to liquidate another NBFIs -- Bangladesh Industrial Finance Company (BIFC) -- which was also facing severe liquidity crunch stemming from loan scams.

<https://www.thedailystar.net/business/news/peoples-leasing-faces-liquidation-1768792>

Tarique becomes president and MD of AB Bank

New Age, July 09, 2019

- Tarique Afzal has been appointed as the president and managing director of AB Bank recently, said a press release. Prior to his appointment, he was the acting president and managing director of the bank.
- He joined AB Bank as a deputy managing director, the release also said. Tarique started his banking career during the late 1980s in London, UK and later served in Credit Union in Canada, ANZ Grindlays Bank, Standard Chartered Bank in Bangladesh and abroad, said the release.
- He held senior positions in BRAC Bank and Bank Alfalah as well as represented Dun and Bradstreet in Bangladesh as the country head, it said. He also successfully led the automation and transformation of banking process and systems at the country's two largest state owned financial institutions- Sonali and Rupali Bank, the release said.

<http://www.newagebd.net/article/77895/tarique-becomes-president-and-md-of-ab-bank>

Economy

FY19 exports rise by 10.55pc, hit \$40.53b

The Financial Express, July 09, 2019

- The country's export earnings reached an all-time high of US\$ 40.53 bn in the just concluded fiscal year (FY), 2018-19, registering a 10.55 % growth over that of the previous fiscal, according to official data. Bangladesh fetched \$ 36.66 bn in FY 2017-18.
- The export earnings in FY 19 also surpassed the target, set for the fiscal, by 3.94 %, according to the Export Promotion Bureau (EPB) data released on Monday. The single month earnings in June 2019, however, declined by 5.27 % to \$ 2.78 bn over that of June 2018. The June earnings also fell short of the target by 22.65 %, according to the data.
- The ready-made garment (RMG) sector contributed more than 84 % or \$34.13 bn to the total export income in FY 19. In last fiscal, the RMG exports grew by 11.49 % from \$ 30.61 bn of FY 18. The sector's earnings also exceeded the respective target in FY 19 by 4.42 %.



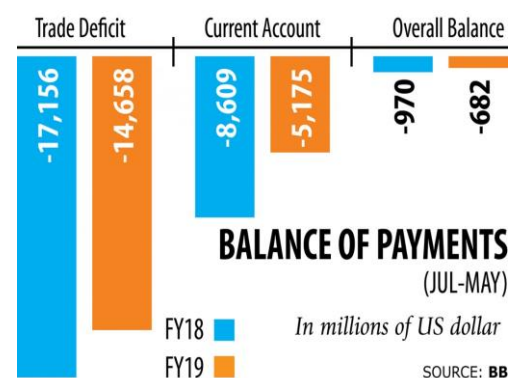
- The country earned \$ 16.88 bn from knitwear exports, registering a growth of 11.19 %. Bangladesh fetched \$ 15.18 bn from knitwear exports in FY 18. Earnings from export of woven garments were \$ 17.24 bn in last fiscal, up by 11.79 %. The earnings were \$ 15.42 bn in FY 18.

<http://thefinancialexpress.com.bd/economy/bangladesh/fy19-exports-rise-by-1055pc-hit-4053b-1562643439>

Current account deficit narrows 40pc

The Daily Star, July 09, 2019

- A massive decline in import and an inflow of record remittance have helped narrow the current account deficit by 40 % in the first 11 months of the just concluded fiscal year, much to the relief of the Bangladesh Bank.
- At the end of May the current account deficit stood at \$5.17 bn, according to data from the central bank. This means a slowdown in the productive sector and employment generation is impending. Between July last year and May this year, exports increased 11.45 % year-on-year to \$37.18 bn, while imports grew only 2.62 % to \$51.84 bn.



<https://www.thedailystar.net/business/banking/news/current-account-deficit-narrows-40pc-1768762>

International

British Airways faces record \$230m fine over data theft

The Daily Star, July 09, 2019

- BRITISH Airways-owner IAG is facing a record \$230 mn fine for the theft of data from 500,000 customers from its website last year under tough new data-protection rules policed by the UK's Information Commissioner's Office (ICO).
- The ICO proposed a penalty of 183.4 mn pounds, or 1.5 % of British Airways' 2017 worldwide turnover, for the hack, which it said exposed poor security arrangements at the airline.
- BA indicated that it planned to appeal against the fine, the product of European data protection rules, called GDPR, that came into force in 2018. They allow regulators to fine companies up to 4 % of their global turnover for data-protection failures.
- The attack involved traffic to the British Airways website being diverted to a fraudulent site, where customer details such as log in, payment card and travel booking details as well as names and addresses were harvested, the ICO said.

<https://www.thedailystar.net/business/global-business/news/british-airways-faces-record-230m-fine-over-data-theft-1768738>

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