

Stock Market

Dhaka stocks fall for 2nd week amid boost in turnover

New Age, September 15, 2018

- Dhaka stocks dropped for the second week amid an increase in turnover as investors continued with rebalancing their portfolios as the political activities surrounding the next general elections gained momentum.
- DSEX, the key index of Dhaka Stock Exchange, dropped 1.32%, or 73.63 points, over the past week to finish at 5,500.62 points on Thursday, the last trading session of the week after losing 26.39 points in the previous week. DSEX had gained 296 points in the previous five weeks before sliding to the negative zone in the past two weeks.
- The trading on the bourse began in the past week with bearish trend on Sunday. Apart from a brief gain on Tuesday, the key index remained in the negative territory for rest of the sessions of the week. Many of the investors continued to rebalance their portfolios by selling shares of bank and non-bank financial institution sectors, which have the biggest capitalisation on DSE, and buying shares of other sectors like energy and engineering, said market operators.
- Share prices of bank and NBFI sectors dropped by 4.7% and 3.7% respectively in the past week as the sectors were struggling with huge amount of defaulted loans. They said that a section of investors were observing the political situation ahead of the national elections due to be held by January next year.
- The trading of the shares of M.L. Dyeing Limited will commence at DSE from September 17, 2018 that also provoked some investors to accumulate cash to invest at the company's shares. On the other hand, investors continued buying shares from energy and engineering sectors that upped their prices by 3% each.
- Textile and food sectors also rebounded by 2.2% and 0.1% respectively. The daily average turnover on the bourse advanced by 18.05% to BDT 901.26 crore in last week from BDT 763.46 crore in the previous week.
- DS30, the blue-chip index of the DSE, also lost 1.97%, or 38.65 points, to close at 1,919.88 points over the week. Shariah index DSES, shed 0.57%, or 7.29 points, to close at 1,271.37 points. Active Fine Chemicals led the turnover chart with its shares worth BDT 367.23 crore changing hands.

<http://www.newagebd.net/article/50665/dhaka-stocks-fall-for-2nd-week-amid-boost-in-turnover>

ML Dyeing to make trading debut Sept 17

The Financial Express, September 13, 2018

- ML Dyeing Limited will make its share trading debut on stock exchanges under "N" category on September 17, officials said. The Dhaka Stock Exchange (DSE) trading code for the company is "MLDYEING" and DSE company code is 17479.
- ML Dyeing, which received approval from the Bangladesh Securities and Exchange Commission (BSEC) on May 14, raised a capital worth BDT 200mn from the capital market. Using the fixed price method, ML Dyeing offloaded 20mn ordinary shares at an offer price of BDT 10 each and raised the said amount. Initial Public Offering (IPO) subscription of the company was held between July 8 and July 19.
- According to the financial statement that ended on June 30, 2017, the net asset value (NAV) per share of the company stood at BDT 23.71 and earnings per share (EPS) was BDT 1.58.
- The fund raised through the IPO will be used for purchasing machinery of 89.15% and bearing the expenses of the IPO process of 10.85%, according to the IPO prospectus. The company's post-IPO paid-up capital is BDT 1.60bn and authorised capital is BDT 2.10bn.
- Two companies - NBL Capital and Equity Management Ltd, and Ruplali Investment – are working as issue managers for the IPO process.

<http://thefinancialexpress.com.bd/stock/ml-dyeing-to-make-trading-debut-sept-17-1536843956>

BTRC gears up to check call spoofing

New Age, September 15, 2018

- Bangladesh Telecommunication Regulatory Commission has initiated a move to strengthen its call-spoofing prevention measures. Call spoofing, also known as caller ID spoofing, has frequently been used in recent days for fraudulent activities. The abuse causes the telephone network to give the receiver false information about the caller. Under the malpractice, criminals use others' mobile numbers as a disguise to make phone calls.
- BTRC sources said that a number of groups were active to claim extortion money and cheat people using call spoofing. One of the groups claims money from the family members of missing persons for the persons' safe return.
- In July 14 this year, unidentified miscreants demanded money from two Chittagong City Corporation ward councillors through spoofing the official phone number of the deputy commissioner.
- Keeping the issues in mind, the telecom regulator has taken a number of measures including investigating issues based on complaints from the victims, a senior official of the commission told New Age.
- The commission detected that such activities were initiated from IP-based telephone services as such calls could not be generated through mobile phone technology. Under the move, the BTRC has asked the mobile phone operators to take measures for the prevention of call spoofing.
- Another BTRC official said that the international calls were another way of entering spoofed calls inside the country. They said that the telecom regulator refrained from blocking such calls as the incoming international call volume might decline if such calls were blocked.

<http://www.newagebd.net/article/50588/btrc-gears-up-to-check-call-spoofing>

Gas price may go up very soon

The Daily Star, September 16, 2018

- The energy regulator may soon increase gas prices for industries, power stations, filling stations, fertiliser factories and tea estates as the government is set to pass the price of imported liquefied natural gas on to users. Prime Minister's Energy Adviser Tawfiq-e-Elahi Chowdhury yesterday said the supply of the imported LNG has started. So, the gas price will be hiked very soon.
- But the government has asked the Bangladesh Energy Regulatory Commission (BERC) to keep the price at a tolerable level. In June, the BERC held hearings about raising gas prices for consumers except for households. Prices may be raised for industries, power stations, filling stations, fertiliser factories, and tea estates.
- Last time, the BERC raised the gas price in March last year. It also raised the price in June the same year, but the decision was later withdrawn following a High Court order. Under the law, the BERC cannot enhance gas price twice in a single fiscal year.
- The increase in price of gas came to the fore as LNG is costing the country about BDT 30 per cubic metre. The average retail price of gas supplied by Petrobangla from domestic sources is BDT 7.39 per cubic metre. But when LNG is mixed with local gas, the price might be set at about BDT 13.
- About four months behind the deadline, imported LNG supply started in Chittagong on August 18 as the connection to the national gridline could not be completed before that.
- Initially, 100mn cubic feet (mmcf) of gas per day was supplied to the Chittagong region but later it was increased to 300 mmcf, said the energy adviser.

<https://www.thedailystar.net/backpage/news/gas-price-may-go-very-soon-1634419>

Tourism: Potential remains untapped

The Daily Star, September 16, 2018

- Beyond the popular ones, many new but potential tourist spots across the country remain unexplored mainly for lack of a proper plan for the development and promotion of the tourism sector, said experts. Many new tourist spots are emerging in hills, less-known beach and forest areas and other places because of social media, but these spots remain unexplored by local and foreign tourists, they observed.
- Besides, the tourism sector experts said, the government does not have proper tourist guidelines and catalogues containing division-wise exploration-worthy places. Though the government puts emphasis on the sector, no national tourism master plan could be developed yet and the authorities concerned cannot work coherently to improve the new attractions having immense potential.
- Mentioning the names of some tourist spots like Ratargul and Bichhnakandi of Sylhet, Thanchi, Paddamukh, Amiakhum, Nafakhum and Remakri of Bandarban and some other places which have become popular recently, he said the government should develop and promote those to attract more tourists. Many private tourist agencies and social media groups are working both for making domestic tourism vibrant and popularising the uncommon and new places, tourist experts observed.

<https://www.thedailystar.net/city/news/tourism-potential-remains-untapped-1634476>

Green Delta Insurance launches Digital Insurance

The Financial Express, September 13, 2018

- Green Delta Insurance on Thursday has launched its Digital Insurance, first of its kind in the country. The Non-life insurance company inaugurated the online service following a press conference at the Dhaka Club in the capital.
- Chairman of Insurance Development & Regulatory Authority (IDRA) Shafiqur Rahman Patwary inaugurated the online service as chief guest.
- Currently a total of 66 insurance companies are operating in life and non-life category in the country. But, the market penetration is less than 1.0% which is relatively low compared to neighbouring countries, speakers said.
- With more than 80mn internet users and around 10mn smartphone users, but the sector still lagging behind adequate digitalisation and so that it is the right time to take the sector with digitisation.
- Currently the customers can buy motor insurance, travel insurance, nibedita and people's personal accident policy online logging in to www.green-delta.com. Gradually the other products will be brought under Digital Insurance platform as well.
- Green Delta Insurance & iPay are running a joint money-back campaign which is offering customers to enjoy 15% money-back on their purchase.

<http://thefinancialexpress.com.bd/stock/green-delta-insurance-launches-digital-insurance-1536844511>

Apparel benefitting from US-China trade war

The Daily Star, September 16, 2018

- Bangladesh's garment sector is turning into a beneficiary of the US-China trade war as American retailers are placing more work orders, but other sectors, such as jute and leather goods, are yet to see an uptick in fortunes.

- Though China is by far the world's biggest exporter of manufactured goods, some factory owners over the past decade began moving production to other developing countries such as Bangladesh, Cambodia and Vietnam, said a recent report of The Financial Times.
- This was in search of cheaper wages and a hedge against the political and economic risks that come from reliance on one country. The observation proved true as local garment manufacturers acknowledged receiving more work orders from the US. Take, for instance, the case of Viyellatex Group, a leading exporter that mainly ships to European countries.
- These three are not the only ones as many other US-based clothing retailers are now queuing up at his factory as China has already turned expensive for them, he said, adding that the trade war has been the impetus needed to re-route the buyers to Bangladesh.
- Bangladesh has also been benefitting in the purchase of cotton as prices decreased 10% after China imposed high duty on the import of the natural fibre from the US. China imports \$1bn worth of the white fibre from the US in a year.
- Bangladesh's share increased to 6.5% from 6.4% through exports worth \$29bn, according to data from World Trade Organisation. However, the benefits are yet to come for other sectors. Jute goods have not benefitted yet from the trade war, said Enamul Haque Patwary, the immediate past president of Bangladesh Jute Goods Exporters' Association.
- The Trump administration has so far levied 25% tariffs on \$50bn of Chinese industrial goods and is considering imposing similar tariffs on another \$200bn of Chinese exports.

<https://www.thedailystar.net/business/news/apparel-benefitting-us-china-trade-war-1634368>

Economy

Govt to award CIP status only to actual exporters

New Age, September 15, 2018

- The government has decided to amend the existing policy on CIP (export) status aiming to include exporters of services and exclude ex-officio trade body leaders. Currently, business leaders of different trade bodies as ex-officio (trade) and exporters of goods get CIP (export) status.
- Commerce ministry is now working to finalise the draft amendment of the Commercially Important Persons (Export) Policy-2013 by including exporters of services for status. The ministry in a recent meeting with stakeholders took a decision to preserve the CIP (export) title only for actual exporters.
- According to the 2013 policy, commerce ministry every year declares a total of 188 business persons as CIPs for their outstanding performance in export of products and to trade under the policy. Of which, 48 business leaders from different trade bodies and associations, including 30 from the Federation of Bangladesh Chambers of Commerce and Industry get the CIP (trade) award for their contribution to trade as ex-officio category.
- The ministry also decided to raise the minimum limit of export earnings for the status as the existing limit is very low considering the amount of total export earnings. Currently, an exporter is considered for the award if he or she earns \$0.15mn a year by exporting agriculture products, agro-processed products, light engineering products, handicraft, plastic products, melamine products, computer software, computer services and data processing.
- The target of export earnings is set at \$1.5mn for other sectors like readymade garment, jute, leather, frozen foods, pharmaceuticals, specialised textiles, and shipbuilding. The country's annual export earning is around \$37bn.

<http://www.newagebd.net/article/50662/govt-to-award-cip-status-only-to-actual-exporters>

US-Bangla to add 2 Boeing 737-800 to its fleet in November

New Age, September 15, 2018

- US-Bangla Airlines is set to add two new Boeing 737-800 aircrafts to their fleet by November, according to a press release issued on Saturday. The new aircrafts will be able to accommodate 167 passengers each, with 8 in business class and 159 in economy class.
- Currently they have four 164-seater Boeing 737-800 and three 76-seater Dash 8-Q400 aircrafts in their existing fleet. The fifth and sixth Boeing aircrafts will gradually be integrated into their fleet by the first and third week of November respectively. They also have plans to extend their number of flights accordingly.
- Internationally, US-Bangla Airlines operates to Kolkata, Muscat, Doha, Kuala Lumpur, Singapore, Bangkok and Guangzhou from Dhaka and to Muscat, Doha and Kolkata from Chittagong.
- In the domestic region, it is operating from Dhaka to Chittagong, Cox's Bazar, Jessore, Saidpur, Sylhet, Barisal and Rajshahi routes.

<http://www.newagebd.net/article/50666/us-bangla-to-add-2-boeing-737-800-to-its-fleet-in-november>

Barriers to pvt sector dev should be minimised to achieve SDGs

New Age, September 14, 2018

- The government should minimise the barriers to private sector development including sluggish infrastructure, energy crisis, unplanned urbanisation and lack of quality education to attain its sustainable development goals by 2030, said experts and businesses at a roundtable discussion.
- The Dhaka Chamber of Commerce and Industry organised the roundtable discussion titled 'potential roles and challenges of private sector to achieve SDGs' at the DCCI office in Dhaka on Thursday. Prime minister's Office principal coordinator (SDG affairs) Md Abul Kalam Azad was present as chief guest and Metropolitan Chamber of Commerce and Industry president Nihad Kabir and Chittagong Chamber of Commerce and Industry president Mahbulul Alam attended the programme as special guests.
- DCCI president Abul Kasem Khan said that the private sector was the forerunner and critical partner in realising the SDGs. It is estimated that the investment to gross domestic product needs to be scaled up to 40% equivalent to \$400bn by 2030 to achieve the SDGs from the current 31.47%, he said.
- The PMO SDG affairs principal coordinator also noted some of the challenges including resource mobilisation, skill development and quality education, natural disaster and 11 lakh Rohingyas for achieving the SDGs.
- To overcome the problems, Kalam suggested a number of solutions that include increasing investment in human development, investment in economic zone, one-stop services, improving governance, diversifying exports and ensuring quality education.

<http://www.newagebd.net/article/50529/barriers-to-pvt-sector-dev-should-be-minimised-to-achieve-sdgs>

BTRC renews 61 VSP licences

New Age, September 14, 2018

- The Bangladesh Telecommunication Regulatory Commission has asked each of 61 VoIP service providers (VSPs) to deposit BDT 1 lakh in licence renewal fees along with 15% value-added tax.
- The telecom regulator on Tuesday issued a notice in this regard after it decided to extend the validity of the licences of the VSPs by two more years. As per the notice, the 61 VSPs will have to submit the renewal fees by September 30 this

year. Licences of the entities would be cancelled if they fail to deposit the fees by the deadline. Each of the VSPs will have to pay BDT 1 lakh as annual licence fees for the second year.

- As per the regulatory and licensing guidelines for issuing licence to VSP, the licences for VSP are initially issued for five-year term and the validity of the licences is renewed for two-year term afterwards.
- VSPs are also called internet telephony service providers which offer digital telecommunications services based on voice over internet protocol that are provisioned via internet. At present, 881 entities including the 61 entities in the country have VSP licences.

<http://www.newagebd.net/article/50533/btrc-renews-61-vsp-licences>

International

UK opposition says big London banks must never again be 'masters of the economy'

New Age, September 16, 2018

- London's vast financial sector must never again be the 'masters of the economy', the finance spokesman of Britain's opposition Labour Party said, accusing bankers of profiting from speculation at the expense of ordinary people.
- John McDonnell, a veteran socialist who is now seeking to reassure business, promised higher taxes and tougher regulation on banks on the 10th anniversary of the collapse of Lehman Brothers – the pivotal moment in the global financial crisis.
- 'The key lesson is this: never let the finance sector become the masters of the economy when they should be the servants of the economy,' he said in a speech outside the Bank of England on Saturday. With prime minister Theresa May's government weakened by her Conservative Party's infighting over Brexit, Labour is hoping her minority government will collapse.
- Most recent opinion polls show Labour level with the Conservatives, meaning they could form the next government, although the next election is not due until 2022. Labour would introduce a financial transaction tax to extract more revenue from the City of London by expanding an existing tax on shares to trading on other assets such as bonds and derivatives.
- Despite his previous antipathy towards bankers, McDonnell is trying to win the support of financial bosses, just as former Labour leader Tony Blair helped prepare his party for power with what was dubbed the 'prawn cocktail offensive' in the 1990s.

<http://www.newagebd.net/article/50711/uk-opposition-says-big-london-banks-must-never-again-be-masters-of-the-economy>

G20 trade ministers say WTO reform 'urgent' as new Trump tariffs loom

New Age, September 15, 2018

- Trade and investment ministers from G20 countries meeting in Argentina said there was an 'urgent need' to improve the World Trade Organization, a joint statement said on Friday. With US president Donald Trump readying tariffs on another \$200bn in Chinese goods, the ministers said they were 'stepping up the dialogue' on international trade disputes, according to the statement issued at the summit.

- It did not provide any details of possible WTO reforms or how dialogue on trade was being increased. 'Obviously the new tariff measures are not positive,' Argentina's Production and labor minister, Dante Sica, said in a news conference at the end of the one-day meeting. 'But we need to see how things evolve.'
- German deputy economy minister Oliver WitBDTe said the joint declaration sent a powerful signal about the importance of strengthening WTO 'especially in times of 'America first' and increasing global protectionism,' with next steps to follow when G20 leaders meet in Argentina at the end of November.
- Argentina holds the G20's rotating presidency this year, and is re-negotiating a \$50bn stand-by financing deal with the IMF, cutting its fiscal deficit targets and reducing costs to ensure it can continue paying its international debts.
- Trump has said he would attend the summit's final meeting with other heads of state, in Buenos Aires on November 30. The Trump administration has demanded that China cut its \$375bn trade surplus with the United States, end policies aimed at acquiring US technologies and intellectual property, and roll back high-tech industrial subsidies.
- While Trump has threatened to pull the United States from the WTO, China has called for WTO reform to make the global trade system fairer and more effective.

<http://www.newagebd.net/article/50712/g20-trade-ministers-say-wto-reform-urgent-as-new-trump-tariffs-loom>

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