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Stock Market

TELCOS' SERVICE, REVENUE DATA

BTRC endorses plan to install real-time monitoring system

New Age, November 18, 2018

- Bangladesh Telecommunication Regulatory Commission has decided to set up an integrated telecom monitoring
 system in its office for tightening of monitoring over mobile phone operators' service quality and revenue-related
 data. The commission at a meeting held on Monday this week also decided to procure the system as per the public
 procurement rule. The system will allow BTRC to get information related to call drop, call generation and overall
 service quality of the mobile phone operators online scrapping the existing provision of seeking information from the
 operators, he said.
- The integrated monitoring system will be called Telecom Monitoring System, which will be comprised of two
 separate segments, said BTRC officials. The monitoring station installed at the BTRC will be a monitoring and data
 management system that will be treated as a telecom monitoring centre.
- The TMS will act as the interface to monitor networks, data management and report generation. The other part of the system, Compliance Monitoring System, will be installed on the mobile phone operators' premises.
- The CMS will collect required network, traffic and billing data from the operators' nodes and analyse those data to
 generate summarised report on indicators and compliance. The current system of audit is manual, based on papers
 and past data records, which is inadequate most of the times.
- To install such a system, the BTRC has already issued a directive to all the mobile phone operators to facilitate setting up of such a monitoring system. It asked the operators to provide all required data to the online monitoring system.
- Besides, the commission instructed operators to provide connectivity to all required data and network nodes, including all types of call detail record, event data records and transaction detail record, intelligent network interconnection, recharging gateway, service nodes, mobile network portability gateway, HLR dump, provisioning gateway for subscribers, NodeB, RNC, eNodeB and value-added service usage logs.

http://www.newagebd.net/article/56360/btrc-endorses-plan-to-install-real-time-monitoring-system

Dhaka stocks back to negative zone on political tensions

New Age, November 18, 2018

- Dhaka stocks resumed fall in the past week, after a pause in the previous week, as investors went on share sales in cautious trading amid rising political tension ahead of the national elections. DSEX, the key index of Dhaka Stock Exchange, dropped 0.28 %, or 14.49 points, to close at 5,244.63 points on Thursday, the last trading session of the week after gaining by only 0.64 point in the previous week.
- The DSEX lost 204 points in the last five weeks with a marginally positive week. The key index witnessed fall in three
 trading sessions with rise in two others in the past week. The rising political activities including meetings, rallies,
 dialogues and political fracas surrounding the national polls continued to weigh on the investors' psyche, said market
 operators.
- Investors became nervous after a confrontation broke out between the police and the BNP leaders and activists in
 front of the party's central office at Naya Paltan in Dhaka on October 14, leaving several people including policemen
 injured.

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- Average share prices of energy, pharmaceuticals and bank gained 3.68 %, 0.42 % and 0.18 % respectively. The daily average turnover on the bourse, however, increased by 6.51 % to BDT 552.95 crore in the last week from BDT 519.15 crore in the previous week.
- Out of the 349 traded issues, 186 declined, 143 advanced and 18 remained unchanged. DS30, the blue-chip index of DSE, shed 0.16 %, or 2.98 points, over the week to close at 1,856.12 points. Shariah index DSES also dipped 0.19 %, or 2.35 points, to close at 1,208.11 points.
- United Power Generation and Distribution Company led the turnover chart with its shares worth BDT 137.21 crore changing hands. Khulna Power Company, SK Trims & Industries, IFAD Autos, Saiham Cotton Miulls, Intech Limited, Shepherd Industries, Monno Ceramic Industries, BBS Cables and The Peninsula Chittagong were the other turnover leaders.

http://www.newagebd.net/article/56363/dhaka-stocks-back-to-negative-zone-on-political-tensions

Stocks slide piles huge losses on GQ Ball Pen

The Daily Star, November 18, 2018

- The falling stock market has taken a heavy toll on GQ Ball Pen, which has lost a significant amount of its investment in other companies listed on the Dhaka Stock Exchange in the last one year. The ballpoint pen and plastic maker saw about BDT 4 crore of its stock investment vanishes during 2017-18, when the premier bourse shed BDT 19,524 crore of its market capital.
- The company has made some profit in the first quarter of 2017-18, when its earnings per share (EPS) was BDT 0.15. After that it continued losing money, bringing down the EPS for the whole 2017-18 fiscal year to BDT 5.12 in the negative, much lower from BDT 1.66 in 2016-17.
- In the first quarter of 2018-19, the company remained down on its luck, as the EPS hit BDT 0.54 in the negative. The local company had an investment of over BDT 33 crore in the stock market as of June 30 this year, according to its annual report. Uzzal Kumar Saha, company secretary of GQ Ball Pen, has blamed the drop in earnings partially on the slight fall in pen sales during the period.
- GQ's paid-up capital is BDT 8.92 crore and has BDT 121.61 crore in its reserve, according to company data. The pen maker has a record of providing lucrative dividends to its shareholders. It provided 10 % cash dividend in 2017 and 12.5 % stock dividend in 2016 -- lower than those in the previous years.
- As of October 31 this year, sponsors and directors own 41.88 % stakes in the company, which got listed on the DSE in 1986. GQ's share closed at BDT 68.5 on the DSE floor on Thursday, down from BDT 108.4 on July 7 -- the highest in the last one year.

https://www.thedailystar.net/business/news/stocks-slide-piles-huge-losses-gq-ball-pen-1662055

ICB raises BDT 7.5b from subordinated bonds

The Financial Express, November 18, 2018

- The Investment Corporation of Bangladesh (ICB) has so far raised BDT 7.50 bn from the issuance of subordinated bonds floated as part of its market supportive measures. The state-run corporation is expected to raise BDT 20 bn by offering the subordinated bonds. Of the total amount, BDT 15 bn will be invested in the listed securities.
- The ICB officials expressed the hope that they would receive the remaining funds soon. On July 17, the Bangladesh Securities and Exchange Commission (BSEC) approved the ICB's proposal for raising a fund of BDT 20 bn through issuing non-convertible fixed rate subordinated bond.

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- The securities regulator also set a condition that BDT 15 bn has to be invested in the listed securities to boost the country's capital market. Accordingly, the ICB has already started making investment in the capital market after it received a fund of BDT 7.50 bn from three institutions by offering the subordinated bonds.
- Of the amount, BDT 7.0 bn came from Agrani Bank, BDT 400 mn from the DSE and BDT 100 mn from Dhaka Bank. Mr. Hoq also said some other banks have already sanctioned the funds against the bonds issued by the ICB. Of the remaining funds, BDT 5.0 bn will come from Janata Bank, BDT 5.0 bn from Sonali Bank, and BDT 1.50 bn from Rupali Bank, according to the ICB managing director.

http://thefinancialexpress.com.bd/stock/bangladesh/icb-raises-BDT-75b-from-subordinated-bonds-1542430165

Foreign portfolio investment at DSE turns negative in Oct

New Age, November 17, 2018

- The net foreign portfolio investment at Dhaka Stock Exchange turned negative again in October as the overseas investors went for pulling out funds from the market amid political jitters ahead of national elections. In October, the foreign portfolio investors bought shares worth BDT 282.50 crore against their sales of shares worth BDT 484.18 crore with their net investment standing at BDT 201.68 crore negative.
- In September, the net oversees investment had become positive at BDT 35.16 crore with the foreign portfolio
 investors buying shares worth BDT 247.50 crore and selling shares worth BDT 212.34 crore after five consecutive
 months of negative figure.
- It was BDT 24.69 crore negative in April, BDT 282.32 crore negative in May, BDT 206.68 crore negative in June, BDT 32.7 crore negative in July and BDT 5.75 crore negative in August. The FPIs pulled out BDT 719 crore from the Bangladesh capital market in last seven months as they anticipated that the political tensions surrounding the national elections would drag down the market.
- The DSE's key index, DSEX, lost 84.83 points in October to close at 5,368.95 points on October 31 amid political uncertainties. The average turnover at the bourse declined to BDT 553.78 crore in October compared with that of BDT 740.5 crore in the previous month.
- The total foreign turnover on the bourse, however, soared by 66 % to BDT 766 crore in October from that of BDT 459.84 crore in the previous month on heavy share sales. The net investment by the foreign investors at the country's premier bourse surged to BDT 1,704.94 crore in 2017 from BDT 1,340.70 crore in 2016.
- Overseas investors' turnover at the bourse was BDT 3,362.11 crore in 2010, BDT 1,904.19 crore in 2011, BDT 2,355.23 crore in 2012, BDT 2,834.90 crore in 2013, BDT 6,600.94 crore in 2014 and BDT 7,465.4 crore in 2015. The net overseas investment at the bourse was negative BDT 767.58 crore in the year of market crash (2010).

http://www.newagebd.net/article/56227/foreign-portfolio-investment-at-dse-turns-negative-in-oct

Genex Infosys IPO subscription from Nov 18

The Financial Express, November 18, 2018

- The share subscription for the initial public offering (IPO) of Genex Infosys will open on November 18 (Sunday),
 officials said. Genex Infosys, an IT company, will raise a fund worth BDT 200 mn from the capital market under the
 fixed price method.
- The IPO subscription period will end at 5:30pm on November 29. Eligible investors can apply for the IPO through electronic subscription system. The Bangladesh Securities and Exchange Commission (BSEC), approved the company's IPO proposal on September 4.

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- As per the securities regulator's approval, Genex Infosys will offload 20 mn ordinary shares at an offer price of BDT 10 each. A market lot is of 500 shares and an investor needs BDT 5,000 to apply for each lot of the company's IPO.
- For NRBs and foreign applicants, the required amount (per lot) for subscription is US\$ 60.17 or GBP 46.46 or EUR 52.74, according to the Dhaka Stock Exchange (DSE). The company will utilise the fund to expand call centre business, repay bank loan partially and bear the IPO expenses.
- The company's pre-IPO paid-up capital is BDT 616 mn and post-IPO paid-up capital will be BDT 816 mn. Its authorised capital is BDT 1.0 bn. Genex Infosys has a fully-owned (99.99 %) subsidiary company.

http://thefinancialexpress.com.bd/stock/bangladesh/genex-infosys-ipo-subscription-from-nov-18-1542343128

Sonali Aansh's price jumps 50pc in eight days

The company week's top gainer with 38pc rise The Financial Express, November 18, 2018

- The share price of Sonali Aansha Industries continued to soar 'abnormally' in a bearish market, despite having no price sensitive information (PSI). Within eight trading days, the company's share price jumped nearly 50 % or BDT 143.60 each to close at BDT 431 on Thursday, the last trading day of the week.
- The company's share price was BDT 287.40 eight days ago on November 06. Its share traded between BDT 184.10 and BDT 431 in the last one year. Following the abnormal price hike, the Dhaka Stock Exchange (DSE) served show-cause notice on the company several times.
- Sonali Aansh, which was listed on the Dhaka bourse in 1985, disbursed 10 % cash dividend for the year ended on June 30, 2017. The company is yet to declare dividend for the year ended on June 30, 2018.
- As per the company's earnings per share (EPS) stood at BDT 1.37 in nine months for July 2017-March 2018 as against BDT 1.19 for July 2016-March 2017. The net operating cash flow per share (NOCFPS) was BDT 57.13 in the negative for July 2017-March 2018 as against BDT 10.93 for July 2016-March 2017.
- The net asset value (NAV) per share was BDT 226.56 as on March 31, 2018 and BDT. 225.19 as on March 31, 2017.
 The company's paid-up capital is BDT 27.12 mn and authorised capital is BDT 100 mn, while the total number of securities is 2.71 mn.
- The prices of some other low-cap companies like Stylecraft, Libra Infusions, Wata Chemicals, Central Pharmaceuticals, Monno Jute Stafflers are also soaring despite they had no price sensitive information or any expansion plan.

http://thefinancialexpress.com.bd/stock/bangladesh/sonali-aanshs-price-jumps-50pc-in-eight-days-1542429753

Economy

Footwear export fetched \$438m last fiscal year

Leathergoods sourcing show begins on Nov 22 The Daily Star, November 18, 2018

Bangladesh bagged \$438 mn in export earnings from the footwear sector alone in the last fiscal year and has become
the sixth largest footwear and leather goods exporter in the world. Every year, the South Asian nation manufactures
330 mn square feet of finished leather and sends abroad around 230 square feet of the product.

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- The information was shared at a press conference at the Westin Dhaka hotel yesterday where organisers announced
 the schedule of the second edition of Bangladesh Leather Footwear and Leathergoods International Sourcing Show
 (BLISS) 2018.
- The three-day show to be organised by the Leathergoods and Footwear Manufacturers and Exporters Association of Bangladesh (LFMEAB) will kick off at International Convention City Bashundhara in the capital on November 22. Bangladesh exports leather and leather goods to countries such as China, Italy, the USA, the UK, Germany, Sweden, Taiwan and Japan, Saiful Islam, president of LFMEAB, said at the press meet.
- Efficiency of the Chittagong port should be increased to boost export of leather and leather goods, Kazi Aminul Islam, executive chairman of Bangladesh Investment Development Authority, said at the event.
- Foreign guests and around 30 brands and buyers from Hong Kong, Germany, Australia, Italy, Japan, France, the USA, the UK, Sweden, India, and Ethiopia will participate in the expo. Sandeep Das, country managing director for Intertek Bangladesh, and Yu Cheng Hsing, managing director of Blue Ocean Footwear, also attended the press meet.

https://www.thedailystar.net/business/news/footwear-export-fetched-438m-last-fiscal-year-1662064

Middle-income status hinges on higher investment: MCCI

It calls for addressing infrastructure bottlenecks
The Financial Express, November 18, 2018

- Bangladesh needs to catalyse more foreign and domestic investments if the country wants to attain the middle income status by 2021, a leading chamber has said. The report noted that while the seventh five-year plan (7FYP) targeted achieving 7.40 % GDP growth per annum during the period and 7.60 % growth in FY19, the country achieved 7.86 % GDP growth in FY18. However, the investment-GDP ratio, according to 7FYP, has to be 31.82 % in FY18, which is higher than the national statistics agency estimate of 31.23 %, the MCCI said.
- Focusing on the money and capital market, the trade body noted that the broad money (M2) grew at a lower rate of 9.00 % at the end of August 2018, compared with the recorded 11.73 % growth achieved at the end of August 2017.
- Domestic credit, on the other hand, grew by 13.23 % in the 12-month period ending in August 2018, as against the slightly higher credit growth of 13.66 % until the end of August 2017. Among components of domestic credit, the report noted that private sector credit registered 14.95 % growth during the 12-month period between August 2017 and August 2018, compared with the higher growth of 17.84 % during the past one year between August 2016 and August 2017.
- Private sector credit growth was also below the central bank's target of 16.8 % set for the first half of FY19. Public sector credit, on the other hand, recorded a low 1.80 % growth at the end of August 2018, compared with the negative growth of 8.08 % at the end of August 2017.
- Meanwhile, total liquid assets of banks stood at BDT 2,538.58 bn as of end-August 2018, which is 45 % higher than
 the minimum liquidity requirement of BDT 1,752.04 bn of the banks as of end-August 2017. The interest rate spread
 in the banking sector, on the other hand, marginally decreased to 4.27 % at the end of August 2018 from 4.31 % in
 July 2018.

 $\underline{http://thefinancial express.com.bd/economy/bangladesh/middle-income-status-hinges-on-higher-investment-mcci-1542428385}$

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Farmers Bank introduces recovery software

Recovery software to easily detect loan defaulters of the bank The Financial Express, November 18, 2018

- The Farmers Bank Limited on Saturday introduced recovery software in an effort to ensure secured banking in its operations. The new generation bank launched the software through a daylong seminar in Dhaka city where departmental heads and managers of the branches were present, said a press release of the bank.
- Managing Director and Chief Executive Officer (CEO) Md Ehsan Khasru formally inaugurated the software at a simple ceremony at the Farmer's Bank Limited Training Institute. Speaking at the function, Khasru said the recovery software would easily detect loan defaulters of the bank.
- The Farmers Bank Limited is majority controlled by institutional investors following a restructuring in its ownership early this year, according to a BSS report. Four state-owned banks Sonali, Janata, Agrani and Rupali and the Investment Corporation of Bangladesh now own more than 60 % of the bank. The bank started its operation in 2013 and it has set up 57 branches in major cities and towns in the country within five years.

http://thefinancialexpress.com.bd/trade/farmers-bank-introduces-recovery-software-1542450893

Modern retail growing at 15pc a year

The Daily Star, November 18, 2018

- Modern retail, which replaces traditional grocery shops, has been growing at 15 % a year since 2014 in Bangladesh riding on changing consumer behaviour, said a top official of Nielson, a leading global market researcher. In 2018 the total turnover is estimated to be BDT 2,180 crore, up from BDT 1,342 crore in 2014.
- Bangladesh's largest retail chain Shwapno presented the congress along with Lotto. The Daily Star is the strategic partner of the initiative to shape modern retail in the country.
- Discussants pointed out the changing behaviours of consumers following the advent and growth of e-commerce, advancement of technology, rising health awareness and consciousness about quality products and services.
- Population growth, increased urbanisation and rising income, particularly the growing middleclass population in the
 country, have been driving the growth of consumerism in Bangladesh, which is expected to be the 26th largest
 economy in the world by 2030.
- Consumer's rising purchasing power is increasing the demand for fast-moving consumer goods (FMCG), generating \$3.1 bn in FMCG sales. Even in this landscape, traditional trade, which accounts for 98 % of total retail sales, will evolve and continue to dominate. But modern retail, which expanded over the last two decades, will grow in the days to come.

https://www.thedailystar.net/business/news/modern-retail-growing-15pc-year-1662061

International

VW embarks on \$50b electrification plan

The Daily Star, November 18, 2018

 Volkswagen expects to become the most profitable manufacturer of electric cars thanks to a multi-bn euro expansion plan to mass produce battery driven vehicles, Chief Executive Herbert Diess said on Friday. VW will spend almost 44

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bn euros (\$50 bn) on developing electric cars, autonomous driving and new mobility services by 2023 and explore further areas of cooperation with US automaker Ford.

- Diess said he hoped to have an outline agreement on cooperation with Ford fleshed out by the end of the year, with the initial focus on commercial vehicles. He added that a merger with Ford was not on the agenda and also said there were no plans to take a stake in the American company. Mass producing electric cars will help the carmaker reduce the cost to the same level as current diesel vehicles, Diess said at a news conference in Wolfsburg, VW's home town.
- The supervisory board of Europe's largest carmaker voted on far reaching capital spending plans to begin mass
 production of electric vehicles in Europe, the most radical strategy shift since VW's diesel cheating scandal in 2015.
 Volkswagen will retool three of its German plants to build electric cars and to explore alliances with battery partners
 and rival carmakers.
- VW plans to increase productivity of its factories by 30 % by 2025 by building more vehicles from different brands on the same production line. It wants to lower the carmaker's research and development ratio at the group's automotive division to six % of revenues from 2020 onward.
- Labor unions, who control half the seats on Volkswagen's supervisory board, need to sign off on the plan to create global production capacity for 1 mn electric vehicles by 2025 amid their concerns that assembling battery driven cars will require fewer workers. Around 436,000 industrial jobs in Germany are tied to building petrol and diesel engined vehicles.

https://www.thedailystar.net/business/news/vw-embarks-50b-electrification-plan-1662040

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