

News Blaze of the Week

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Quotation Corner

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“You only live once, but if you do it right, once is enough.”

– Mae West

“Money and success don’t change people; they merely amplify what is already there.”

– Will Smith

“Life is not a problem to be solved, but a reality to be experienced.”

– Soren Kierkegaard

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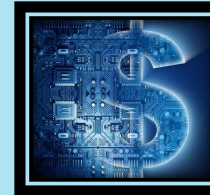
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Govt Initiatives

Govt to form 'Delta Fund' to finance climate projects

- The government is going to form a special fund titled 'Bangladesh Delta Fund', for implementing its long-term integrated master plan, 'Delta Plan 2100', to harness the huge potentials of Bangladesh through water resource management, ensuring food and water security and tackling disasters, reports UNB.
- According to an official document obtained by the news agency, it would require implementation of a good number of new projects apart from development and maintenance of the existing infrastructure for accomplishing the Delta Plan 2100. To implement the Delta Plan, 2.5 per cent of the Gross National Income (GNI) will be required till 2030. Currently, the expenditure in this sector is only 0.80-1.0 per cent, shows the document. Under the plan, 80 projects have been proposed for implementation within 2030.
- Of the projects, 65 are related to physical infrastructure while 15 to institutional capability, skill development and research, involving Tk 2,978 billion (around USD 37 billion). The National Economic Council approved the 'Bangladesh Delta Plan 2100' in September 2018, to be implemented over the next 100 years, aiming to raise the GDP growth to 9 per cent by 2030. According to the Planning Ministry document, about 70 per cent of the areas in 16 districts, where the poverty rate is very high, are most vulnerable to natural disasters.

Source: <https://today.thefinancialexpress.com.bd/trade-market/govt-to-form-delta-fund-to-finance-climate-projects-1596898524>

Agreement on first bio-tech plant signed

- A tripartite agreement was signed between Oryx Bio-Tech Limited, Bangladesh Hi-Tech Park Authority (BHTPA) and the Summit Technopolis Limited in the city on Tuesday to set up the first bio-tech plant in the country with an investment of US \$300 million.
- The Oryx Limited will develop the factory on 25 acres of land at the Bangabandhu Hi-tech City in Gazipur, which is expected to create high value employment for nearly 2,000 people. According to the investment proposal, the bio-tech venture will facilitate manufacturing of drugs for the treatment of critical diseases like cancer and different types of infections.
- The company will establish the factory with the handling capacity of around 1,200 tonnes of plasma for manufacturing import substitute and life-saving biomedicine and derivatives. The company will also set up some 20 plasma collection stations.

Source: <https://today.thefinancialexpress.com.bd/stock-corporate/agreement-on-first-bio-tech-plant-signed-1597161384>



National Milestone

Per capita income rises to \$2,064

- Bangladesh's per capita income (GNI) went up by US\$ 155 to US\$ 2,064 in the final quarter (April-June) of the last fiscal year, official data released on Tuesday showed, despite severe adverse impact of Covid-19 pandemic on the country's economic activities during the period. Bangladesh Bureau of Statistics (BBS) data showed that the country's total GDP stood at \$300.11 billion in the last fiscal year (FY 2019-20).
- However, the per head earnings of the population at current price was lower than the preliminary target of \$ 2,173 estimated before the COVID-19 pandemic. In the FY2019, the per capita GNI (Gross National Income) was recorded at \$ 1,909 and in FY2018, it was \$ 1,751. Meanwhile, the per capita Gross Domestic Product (GDP) in the FY2020 had also been estimated at \$ 1,970 from that of \$ 1,828 in the FY2019.
- In FY2018, the per head GDP earnings was recorded at \$ 1,675. An official at the BBS said the per head earnings could be much higher than the provisional estimation for the FY2020 if the country was not affected by the devastating coronavirus pandemic. In the FY2020, the GDP growth increased by 5.24 per cent, according to the BBS estimate. Meanwhile, the government has targeted the per capita GNI at \$ 2,326 for the current FY2021, despite the economic impact of the pandemic.
- Bangladesh has been one of the top five fastest growing economies in the world with its stunning GDP growth rate of more than 7.0 per cent over the last few years. Breaking the five-year "6.0 per cent growth trap", the economy chalked out the 7.0 per cent growth band in FY2016. Then it took only two years to surpass the 7.0 per cent rate in FY2019 when the economy expanded at a rapid clip of 8.15 per cent. The current fiscal year's target has been eked out at 8.2 per cent GDP growth, but the coronavirus pandemic has made reaching that goal highly unlikely.

Source: <https://today.thefinancialexpress.com.bd/first-page/per-capita-income-rises-to-2064-1597165630>

Central Bank Regulation

BB relaxes loan restructuring policy for NBFIs

- The central bank has relaxed its loan restructuring policy for non-banking financial institutions (NBFIs) to help the businesses overcome the adverse impact of the Covid-19 pandemic. Under the relaxations, the NBFIs are allowed to extend the tenure of term loans and leases by a maximum of 50 per cent of the remaining time to maturity, instead of existing 25 per cent, according to a notification issued by the Bangladesh Bank (BB) on Sunday.
- Earlier on June 21, the BB slashed cash reserve ratio (CRR) by 100 basis points to 1.5 per cent from 2.5 per cent for the NBFIs considering the Covid-19 pandemic. Such reduction of CRR also helped the NBFIs use more than Tk 3.0 billion as loanable funds to implement the government announced stimulus packages, according to officials. Prime Minister Sheikh Hasina has so far announced a total of 19 stimulus packages worth Tk 1.03 trillion to help various sectors of the economy offset the losses they have suffered due to novel coronavirus (COVID-19) pandemic.
- The packages, which are equivalent to 3.7 per cent of the country's gross domestic product (GDP), will be implemented under the supervision of the central bank and the ministry of finance. Currently, 34 NBFIs are running their business across the country. In June 2020, the central bank issued a licence to Strategic Finance and Investments Limited for running their business as an NBFIs.

Source: <https://today.thefinancialexpress.com.bd/first-page/bb-relaxes-loan-restructuring-policy-for-nbfis-1596992287>

BB asks banks to tap NRB deposits

- The central bank has asked banks to introduce deposit products for non-resident Bangladeshis to encourage them to save their hard-earned money in Bangladesh. The products will be in the form of savings for more than a year on a monthly or quarterly deposit basis.
- Besides, the deposit accounts will be credited in the local currency -Bangladesh Taka (BDT)- after conversion from the foreign exchange, it added. The banks are allowed to extend loans to non-resident account holders for meeting his personal needs in taka against the security of this deposit account subject to adherence to the usual lending norms, according to the notice.
- NRBs can continue to maintain the deposits from local sources after their arrival. The scheme has an option to repatriate payments abroad from the balance held in the deposits on maturity/before maturity for meeting subsistence needs with permission from the central bank.

Source: <https://today.thefinancialexpress.com.bd/trade-market/bb-asks-banks-to-tap-nrb-deposits-1596987906>



Banks and Financial Institutions

18 banks added to bKash Add Money service

- The opportunity of instant money transfer service from banks' app and internet banking to bKash account marked rise with the addition of 7 new banks. Community Bank Bangladesh, Modhumoti Bank, NRB Bank, Southeast Bank, First Security Islami Bank, Social Islami Bank and Union Bank have recently been added to the Add Money service of bKash.
- The facility of transferring money to bKash from 18 top commercial banks in the country now enables 45 million bKash users to enjoy easier and more convenient transactions. Customers can safely add money to their bKash account without any hassle in a few simple steps. They need to tap on 'Add Money' after selecting 'Bank to bKash' or 'Card to bKash' option from the main menu of bKash app's homescreen.
- In case of Bank to bKash service, if the customer clicks on the logo of the designated bank, he/she is redirected to the log-in page of that bank. Customer's cash-in limit is applicable on the Add Money service. That means, a customer can bring a maximum amount of Tk 30,000 in 5 times in a day and a maximum amount of Tk 2 lakh in 25 times in a month by combining cash-in and Add Money.

Source: <https://today.thefinancialexpress.com.bd/stock-corporate/18-banks-added-to-bkash-add-money-service-1596901459>

Banks and Financial Institutions

Southeast Bank Limited shifted its Pragati Sarani Branch at the Bank's own premises at Pearl

Southeast Bank Limited shifted its Pragati Sarani Branch at the Bank's own premises at Pearl Trade Center (2nd Floor), Cha-90/3, Pragati Sarani, Badda, Dhaka on Sunday. In presence of M. Kamal Hossain, Managing Director of Southeast Bank Limited, prominent businessman and client of the Bank Al-haj Md. Abu Bakar Siddique, Chairman and Managing Director, AB Group of Companies formally inaugurated the newly-located Branch.

Source: <https://today.thefinancialexpress.com.bd/stock-corporate/southeast-bank-limited-shifted-its-pragati-sarani-branch-at-the-banks-own-premises-at-pearl-1596986592>

Pubali Bank donates bus to BSMMU

As a part of Corporate Social Responsibility (CSR), the Board of Directors of Pubali Bank Ltd. donated a bus to Bangabandhu Sheikh Mujib Medical University (BSMMU). Md. Abdul Halim Chowdhury, Managing Director of Pubali Bank Limited, handed over the key to Professor Dr. Kanak Kanti Barua, Vice-Chancellor of BSMMU. Mohammad Ali, Additional Managing Director and Chief Operating Officer of Pubali Bank Ltd, was also present. Md. Abdul Halim Chowdhury said, Pubali Bank is not only a profit oriented organization; it has some social responsibility. As a part of it, Pubali Bank donated a bus to Bangabandhu Sheikh Mujib Medical University.

Source: <https://today.thefinancialexpress.com.bd/stock-corporate/pubali-bank-donates-bus-to-bsmmu-1596986761>

Karmasangsthan Bank launches loan product

Karmasangsthan Bank introduced Bangabandhu Jubo Rin (Bangabandhu Youth Credit), a loan programme for the trained unemployed youth to observe the birth centenary of Father of the Nation Bangabandhu Sheikh Mujibur Rahman. Under this programme, massive initiatives have been taken to create employment opportunities by disbursing loans among 200 thousand (two lakh) trained unemployed youths.

Source: <https://today.thefinancialexpress.com.bd/trade-market/karmasangsthan-bank-launches-loan-product-1597160601>

Banks and Financial Institutions

Banks seek Tk 18 million as interest subsidy

- The banks which have disbursed working capital to industrial and service sector units under the government's Covid-19 recovery package have sought over Tk 18 million as interest subsidy in the April-June quarter. They have provided the loans under the Tk 300 billion incentive package which was announced by the government on April 5 to provide working capital at an interest rate of 9.0 per cent. Of the 9.0 per cent interest, the borrowers will pay 4.5 per cent and the government will provide 4.5 per cent as a subsidy to the banks which are disbursing the loans.
- Bangladesh Bank has forwarded a letter to the finance ministry for releasing the fund. Of the total sum, Sonali Bank has sought Tk 15.56 million, Agrani Bank Tk 97,321, Exim Bank Tk 1.059 million, Trust Bank Tk 907,896, City Bank Tk 438,750, Prime Bank Tk 72,786, IFIC Bank Tk 102,875, Eastern Bank Tk 197,020 and Mercantile Bank Tk 19,125.

Source: <https://today.thefinancialexpress.com.bd/first-page/banks-seek-tk-18-million-as-interest-subsidy-1597165831>

Abdul Hai Sarker elected chairman of Dhaka Bank

- Mr. Abdul Hai Sarker has been recently elected as the Chairman of Dhaka Bank Limited. He is the owner of Purbani Group, a leading conglomerate of the country. Mr. Sarker is also the Founder Chairman of Dhaka Bank Limited, Former President of Bangladesh Textile Mills Association (BTMA), the Former Vice Chairman of Bangladesh Association of Banks (BAB) and a former Director of Federation of Bangladesh Chambers of Commerce and Industry (FBCCI).
- Mr. Sarker is the Present Chairman of Education, Science, Technology and Cultural Development Trust (ESTCDT) of Independent University Bangladesh (IUB), Dhaka. He is also the Member of the Board of Trustees of Independent University of both Dhaka and Chittagong. Mr. Sarker was born in a respectable Muslim family of Sirajgonj district. He accomplished his Post Graduation Degree (M.Com) from the University of Dhaka in 1970. Later he was involved in international trade and business and became a reputed industrialist in the country.

Source: <https://today.thefinancialexpress.com.bd/stock-corporate/abdul-hai-sarker-elected-chairman-of-dhaka-bank-1597161239>

Banks and Financial Institutions

Shahjalal Islami Bank approves 10pc dividend

- The 13th Extra-Ordinary General Meeting (EGM) and 19th Annual General Meeting (AGM) of Shahjalal Islami Bank Limited were held on Wednesday through digital platform, said a statement. Chairman of the board of directors of the bank Md. Sanaullah Shahid presided over the meeting.
- In the EGM the proposal for increasing the Authorized Capital of the company from Tk. 10 billion to Tk. 15 billion has been approved unanimously. The AGM approved 10 per cent dividend (5 per cent stock and 5 per cent cash) for the shareholders and the directors reported and audited balance sheet and the profit and loss account for the year ended on 31st December 2019.

Source: <https://today.thefinancialexpress.com.bd/stock-corporate/shahjalal-islami-bank-approves-10pc-dividend-1597245409>

IPDC offers exclusive auto loan

IPDC Finance Limited, the first private-sector financial institution of Bangladesh and automobile company BMW, a German automobile, motorcycle, and engine manufacturing company, jointly introduced a striking auto loan offer recently. With this offer, BMW customers can avail auto loan for 85 per cent of the car price from IPDC. Customers can also enjoy up to six years of EMI facility (72 flexible installments).

Source: <https://today.thefinancialexpress.com.bd/stock-corporate/ipdc-offers-exclusive-auto-loan-1597245680>

Banks and Financial Institutions

College fees being paid through 'Nagad'

- Fastest growing digital financial service of the country 'Nagad', an initiative of Directorate of Posts, has made the arrangements to pay the application fees and registration fees sitting at home to facilitate the admission process of Class XI students in college, says a statement.
- A fee of Tk 150 is being paid through 'Nagad' after applying online for the admission in class XI, started on August 9. From the very beginning, there has been a huge response to the payment of fees through 'Nagad'. As of noon on Wednesday, fees have been paid against 170,364 applications through 'Nagad' wallets and another 28,364 through entrepreneurs.

Source: <https://today.thefinancialexpress.com.bd/trade-market/college-fees-being-paid-through-nagad-1597246413>

Prime Bank, Ajkerdeal partner for MSME credit

- Prime Bank Limited and country's leading online marketplace, Ajkerdeal, have joined hands to facilitate MSME financing to e-commerce merchants without any collateral, says a statement. As per an alliance formed recently, the merchants of Ajkerdeal will avail easy access to MSME loan from Prime Bank.
- It will be a big boost for the country's promising e-commerce sector as eligible merchants of Ajkerdeal can now enjoy collateral free loan up to BDT 50 lakh and other tailor-made financial solutions. The merchants can also avail a wide range of deposit products and free Internet Banking - ALTITUDE - for conducting broad range of e-transactions.
- They will need two-year business experience and recommendation letter from Ajkerdeal. The MSME entrepreneurs can apply for loan from the comfort of their office or home as Prime Bank has assigned dedicated Relationship Manager for exclusive service to the valued merchants of Ajkerdeal.

Source: <https://today.thefinancialexpress.com.bd/trade-market/prime-bank-ajkerdeal-partner-for-msme-credit-1597246445>



Stock Market Update

Stocks rebound after five months

- Dhaka stocks saw the biggest single-day gain in five months on Sunday as investors went on buying binge on large-cap issues as hopes ran high. DSEX, the key index of the Dhaka Stock Exchange, went up by 180 points or 4.13 per cent to settle at 4,545 during the four and a half hours trading session. DSEX added more than 468 points or 11.5 per cent in the past 11 consecutive sessions amid strong buying pressure from retail and institutional investors.
- Amid high expectations, market operators said spontaneous participation lured the investors to take position on the large-cap stocks, taking the core index above 4,500-mark once again after more than five months. The telecom sector posted the highest gain of 6.50 per cent, followed by power with 4.70 per cent, financial institutions 4.60 per cent and banking 4.40 per cent.
- Turnover, another important indicator of the market, also crossed the Tk 11-billion-mark after more than one month and stood at Tk 11.28 billion on the country's prime bourse, which was 35 per cent higher than the previous day's turnover of Tk 8.36 billion. It has also been the highest turnover since June 28 when turnover totalled Tk 25.43 billion riding on huge block trade of GSK Bangladesh. Of the issues traded, 293 advanced, 42 declined and 20 issues remained unchanged on the DSE floor.

Source: <https://today.thefinancialexpress.com.bd/first-page/stocks-rebound-after-five-months-1596992083>

Ten cos account for 27pc DSE transactions

- The ten most-traded stocks accounted for 27 per cent of transactions on the Dhaka Stock Exchange (DSE) on Wednesday, with Beximco Pharmaceuticals grabbing the top spot of the turnover chart for the second straight session. According to the DSE data, some 5.77 million shares of Beximco Pharma were traded, generating a turnover of Tk 570 million, which was 5.08 per cent of the day's total turnover of Tk 11.20 billion. The drug maker's share closed at Tk 97.90 on Wednesday, shedding 0.20 per cent over the previous session. The company disbursed 15 per cent cash dividend for the year ended on June 30, 2019.
- Brac Bank came second on the turnover chart, with shares worth Tk 409 million changing hands. The bank's share rose 5.01 per cent to close at Tk 33.50 each. Beximco clinched the third spot, with shares worth Tk 406 million changing hands. The company's share closed at Tk 20.40, soaring 9.68 per cent. Square Pharma emerged as the fourth, with shares worth Tk 386 million changing hands. The company's share rose 2.65 per cent to close at Tk 205.30 each. BATBC notched the fifth spot, with shares worth Tk 258 million changing hands. The multinational company's share closed at Tk 956.70, gaining 3.81 per cent.

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Source: <https://today.thefinancialexpress.com.bd/stock-corporate/ten-cos-account-for-27pc-dse-transactions-1597245433>

Stock Market Update

Square Pharma tops DSE turnover chart

- Square Pharmaceuticals dominated the Dhaka Stock Exchange's turnover chart on Sunday while ten most-traded stocks accounted for 24 per cent of the total transactions. Market analysts said investors showed buying frenzy on large-cap shares throughout the session like Square Pharma, British American Tobacco, Brac Bank riding on new hopes amid the securities regulator's tough stance on wrongdoers.
- According to the DSE data, some 2.24 million shares of Square Pharma were traded, generating a turnover of 441 million, which was 3.91 per cent of the day's total transaction of Tk 11.28 billion. The top drug maker's share closed at Tk 199.50 on Sunday, soaring 5.83 per cent over the previous session. The company disbursed 42 per cent cash and 7.0 per cent stock dividend for the year ended on June 30, 2019. In nine months for July 2019-March 2020, its consolidated earnings per share (EPS) stood at Tk 12.44 as against Tk 11.15 for July 2018-March 2019.
- The company's paid-up capital is Tk 8.44 billion and authorised capital is Tk 10 billion while total number of securities is 844.23 million. The sponsor-directors own 34.57 per cent stake in the company, while the institutional investors own 10.57 per cent, foreign investors 18.61 per cent and the general public 36.25 per cent as on June 30, 2020, the DSE data showed. BATBC came second on the turnover chart, with shares worth Tk 413 million changing hands.
- The multinational company's share rose 1.67 per cent to close at Tk 922.80 each. The turnover of Pioneer Insurance was Tk 196 million. The company's share rose 9.10 per cent to close at Tk 70.70 each. Grameenphone featured a turnover of Tk192 million. The largest market-cap company's share closed at Tk 271.10, soaring 6.65 per cent. Indo-Bangla Pharma also made its way to the day's top turnover chart, with shares worth Tk 181 million changing hands. The company's share price rose 5.91 per cent to close at Tk 23.30 each.

Source: <https://today.thefinancialexpress.com.bd/stock-corporate/square-pharma-tops-dse-turnover-chart-1596986513>



Stock Market Update

DSEX exceeds 4,600-mark as stocks resume rally

- Stocks rebounded strongly on Wednesday after a single-day break, as the securities regulator's various steps to revive the capital market have boosted the investor confidence. DSEX, the prime index of the Dhaka Stock Exchange (DSE), jumped 100.32 points or 2.21 per cent to close at 4,633, after shedding 12 points in the previous session.
- The key index crossed the 4,600-mark after five and a half months since February 25. On July 2, the Bangladesh Securities and Exchange Commission (BSEC) asked 61 directors of 22 listed companies to comply with minimum 2.0 per cent shareholding requirements within 45 days. Turnover, the crucial indicator of the market, crossed Tk 11 billion-mark once again to reach Tk 11.20 billion on the country's premier bourse, 6.87 per cent up from the previous day's mark of Tk 10.48 billion.
- Liquidity support fund by the Bangladesh Bank and the cut in bank deposit rates -- maximum up to 6.0 per cent for time deposit -- have paved the way for new investment in the market, said a leading broker. Among the major sectors, financial institutions posted the highest gain of 5.10 per cent, closely followed by engineering with 4.50 per cent, telecom 3.90 per cent, food 3.80 per cent and banking sector 3.10 per cent.
- Gainers outnumbered the losers, as out of 355 issues traded, 199 closed higher and 115 ended lower while 41 issues remained unchanged on the DSE floor. A total of 215,395 trades were executed in the day's trading session, with a trading volume of 390.72 million shares and mutual fund units. The market-cap on the premier bourse also rose to Tk 3,522 billion on Wednesday, from Tk 3,454 billion in the previous session.
- The Chittagong Stock Exchange (CSE) also ended higher with its All Shares Price Index (CASPI) soaring 275 points to close at 13,165 and the Selective Categories Index -- CSCX -- rising 161 points to finish at 7,961. Of the issues traded, 164 gained, 90 declined and 30 remained unchanged on the CSE. The port city bourse traded 18.84 million shares and mutual fund units with turnover value of Tk 351 million.

Source: <https://today.thefinancialexpress.com.bd/stock-corporate/dsex-exceeds-4600-mark-as-stocks-resume-rally-1597245376>

Corporate Market Update

Walton's IPO subscription begins today

- Public subscription of Walton Hi-Tech Industries Limited begins today (August 9) to raise Tk 1.0 billion from capital market under the book building method. The IPO subscription will be continued until August 16, said a statement. A beneficiary owner account (BO) holder can apply only for a single lot consisting of 20 shares. Price of Walton's each share for both resident and non-resident Bangladeshis is set at Tk 252 and thus a BO account holder can apply for a single lot at Tk 5,040.
- As per the company's financial statement as of June 30 of 2019, WHIL's NAV with revaluation reserve per share was recorded at Tk 243.16 while its EPS was Tk 45.87. Walton Hi-Tech is going to be listed in the capital market with the highest ever EPS recorded during the IPO. Bangladesh Securities and Exchange Commission (BSEC) on June 23 approved the IPO proposal of the Walton Hi-Tech by issuing nearly 2.93 million ordinary shares.
- As per the stock market regulator approval, the eligible investors will get 1.38 million shares of the company at the cut-off price of Tk 315 each, fixed earlier through electronic bidding. And, the general investors will get the remaining 1.55 million shares through IPO at Tk 252 each, a 20 per cent discount on cut-off price, as the company gave 10 per cent additional discount considering the interest of the capital market and small investors.

Source: <https://today.thefinancialexpress.com.bd/stock-corporate/waltons-ipo-subscription-begins-today-1596901537>



Trade Market Update

WB report focuses on infrastructure quality

- Well thought-out investment planning helps raise economic growth rates, increases competitiveness, offers new economic opportunities, and bolsters improvement in human capital, reports BSS citing a new World Bank study. The WB study report addresses need to better understand current levels of infrastructure quantity and quality.
- Infrastructure in Asia is the first step of a new research effort that will expand to other regions. The report is organised to provide regional overviews by the sector, followed by country snapshots. Over the past few decades, a large part of Asia (both East Asia and South Asia) has enjoyed strong economic growth and steady social development.
- Nevertheless, the region faces significant constraints in infrastructure investment. This is exacerbated by Covid-19 pandemic and the short-term challenges of a slowing global economy, higher borrowing costs, and geopolitical tensions.

Source: <https://today.thefinancialexpress.com.bd/trade-market/wb-report-focuses-on-infrastructure-quality-1596898505>

Internet subscribers surpass 103m

- Of them, 94.905 million subscribers are mobile internet users while 8.571 million use broadband internet. The total number of internet subscribers stood at 99.428 million at the end of December 2019, up from 91.421 million in January 2019, showed the data of the Bangladesh Telecommunication Regulatory Commission (BTRC).
- Of the last year's total subscribers, 93.681million were mobile internet users and 5.742 million broadband Internet users while and the remaining were WiMAX users.

Source: <https://today.thefinancialexpress.com.bd/trade-market/internet-subscribers-surpass-103m-1596898479>

Chinese firm to invest \$300m to set up plasma fractionation plant

- The good news on the economic front has started to roll in once again, with the latest being China-based Oryx Biotech's announcement to invest \$300 million to set up a plasma fractionation plant in Bangladesh. The company yesterday inked the tripartite agreement with Summit Technopolis, a company of Summit Group, and the Bangladesh Hi-Tech Park Authority (BHTPA) for the country's first biotech investment at a programme at the ICT Division in Dhaka.
- Oryx will set up the plasma fractionation plant on 25 acres of land and building provided by Summit Technopolis to produce plasma derivatives, also known as life-saving therapeutics and other related products. Oryx will now invest \$10 million, said Zunaid Ahmed Palak, state minister for ICT, in a press release. The plant would have a capacity to process 1,200 tonnes of plasma annually and will be connected with 20 plasma collection centres. Patients from all over the world rely on plasma protein therapies to treat rare, chronic diseases, said Oryx Biotech on its website.
- Summit Technopolis is the concessionaire for developing infrastructure for a hi-tech industry comprising of information technology, IT-enabled services, bio-tech, non-polluting manufacturing assembly lines and precision engineering companies on 91 acres area in the Bangabandhu Hi-Tech City in Kaliakoir. Spanning more than 355 acres, the Bangabandhu Hi-Tech City is the first and largest high-tech park in Bangladesh. So far, 37 companies have been allocated land and five companies have already started production.

Source: <https://www.thedailystar.net/business/news/chinese-firm-invest-300m-set-plasma-fractionation-plant-1943661>

Japan offers record \$3.15b credit line

- Japan on Wednesday confirmed a record US\$3.15 billion in loans for Bangladesh to bankroll seven development projects, Economic Relations Division (ERD) officials said. The funds under the 41st Official Development Assistance (ODA) package would be utilised for constructing the country's two metro rail lines, upgrading transport system, improving food security while developing urban areas, a senior ERD official told the FE. In May last year, Japan provided the 40th ODA loan package worth \$2.5 billion for financing five projects.
- In a statement on Wednesday, Japan Embassy said this year's loan package comprises assistance of seven projects amounting to JPY338.247 billion (approximately \$3.2 billion), the largest ever loan package since its inception in 1974. Japan has emerged as Bangladesh's single largest bilateral donor since 2012, and its total commitment of loans in Yen reached \$22 billion till date. However, the lender will charge 0.01 per cent interest rates for the partial loans to be utilised for consultancy services out the total package.
- This month, Japan has for the first time confirmed \$330 million in budgetary support from its Crisis Response Emergency Support Loan. The largest bilateral donor will provide \$1.0 billion budgetary support to Bangladesh government. The \$330 million is the first tranche of the fiscal support. The Asian donor has also provided approximately \$13 million as the emergency support to tackle COVID-19 in Bangladesh through international organisations, as well as provided PPE to hospitals through the JICA. In July, Japan offered a \$10 million grant for Bangladesh to procure medical equipment, including CT scanners and X-ray machines.

Source: <https://today.thefinancialexpress.com.bd/first-page/japan-offers-record-315b-credit-line-1597252356>

Industry Update

Ceramic industry breathes easier as sales start picking up

- Bangladesh's ceramic industry have enjoyed some relief from the coronavirus fallout in the past two months as domestic sales are showing signs of some recovery following the collapse in demand caused by the nationwide shutdown. Exports dropped by around 60 per cent after the coronavirus outbreak was labelled a pandemic by the World Health Organisation in March as the demand for ceramic products declined in the global market.
- As all economic activities were put on hold during the two-month general holiday that ended on May 30, the sector fell into trouble. The industry could fetch just \$27.97 million from the export of ceramic products in fiscal 2019-20, down 59.45 per cent from the previous year. In fiscal 2018-19, local manufacturers shipped about \$68.97 million in ceramic goods to more than 50 destinations, including the US, the UK, Canada and a few EU and Latin American countries, according to data from the Export Promotion Bureau.
- This was a 32.79 per cent increase in exports compared to the fiscal year of 2017-18, when the sector brought home \$51.94 million. So far, around Tk 9,000 crore has been invested in the sector that employs about five lakh workers, including two lakh women. More than 25 crore pieces of tableware, 20 crore square metres of tiles and more than 83 lakh sanitaryware items were produced in Bangladesh in fiscal 2017-18, BCMEA data showed.

Source: <https://www.thedailystar.net/business/news/ceramic-industry-breathes-easier-sales-start-picking-1943633>



Uber calls for new deal for 'gig economy' workers

- Uber outlined proposals Monday for a new type of relationship with "gig" workers, including its own drivers, that would keep them as independent contractors but with some guaranteed benefits. The ride-hailing giant described "a new model for independent platform work" in an 18-page document it hopes can be used as blueprint for Uber and similar firms relying on independent workers.
- The move comes with Uber and other firms facing legal pressure to comply with a California law that would require its drivers to be classified as employees, eligible for unemployment, medical and other benefits. Uber has backed a referendum in the state to overturn the law, while pledging to provide benefits for a social safety net that would keep gig workers independent.
- Uber has argued that most of its drivers want to remain independent even if they also are looking for benefits. "Uber would not be as widely available to riders, and drivers would lose the flexibility they have today if they became employees," Khosrowshahi wrote. "The vast majority of drivers have said they don't want to be employees because of how much they value flexibility."

Source: <https://www.thedailystar.net/business/news/uber-calls-new-deal-gig-economy-workers-1943477>

Canada to impose retaliatory tariffs on US goods

- Canada will slap retaliatory tariffs on C\$3.6 billion (\$2.7 billion) worth of U.S. aluminum products after the United States said it would impose punitive measures on Canadian aluminum imports, a senior official said on Friday.
- Deputy Prime Minister Chrystia Freeland told a news conference the countermeasures would be put in place by Sept. 16 to allow consultations with industry. The move marks the latest ruction in a choppy relationship between the neighbors and close allies since President Donald Trump took office in 2017.
- Trump moved on Thursday to reimpose 10% tariffs on some Canadian aluminum products on Aug 16 to protect U.S. industry from a "surge" in imports. Canada denies any impropriety. In 2018, Ottawa slapped tariffs on C\$16.6 billion (\$12.5 billion) worth of goods ranging from bourbon to ketchup after Washington imposed sanctions on Canadian aluminum and steel.

Source: <https://www.thedailystar.net/business/news/canada-impose-retaliatory-tariffs-us-goods-1942025>

Dollar gains after two-year slump

- The dollar bounced off two-year lows and a gauge of global equity markets stopped marching toward a record high on Friday, as slightly better-than-expected data on U.S. job growth in July also snapped big rallies in gold and the euro.
- A U.S. Labor Department report showed employment growth slowed considerably from June amid a surge in COVID-19 cases. Though the job numbers topped expectations, the report highlighted the need for the White House and Congress to reach an agreement on a new stimulus bill.
- Gold slid 2 per cent to snap its record surge this week above \$2,000, the euro fell from highs against the dollar last seen in May 2018 and U.S. Treasury yields rose, halting a downward move that had the benchmark 10-year note poised to fall below 0.5 per cent. Stocks on Wall Street at first meandered, with the S&P 500 and Nasdaq trying to turn positive, without luck.
- The Dow Jones Industrial Average fell 0.13 per cent, the S&P 500 lost 0.23 per cent and the Nasdaq Composite dropped 1.15 per cent. MSCI's benchmark for global equity markets fell 0.55 per cent to 562.04.
- The dollar index rose 0.662 per cent, with the euro down 0.8 per cent to \$1.178. The Japanese yen weakened 0.37 per cent versus the greenback at 105.93 per dollar. Gold hit a record high of \$2,072.5 an ounce overnight in Asia, before succumbing to profit-taking.
- Spot gold prices fell -1.47 per cent to \$2,032.96 an ounce. U.S. gold futures settled down 2 per cent at \$2,028.
- Silver dropped 1.7 per cent to \$28.452 per ounce following its rise to a seven-year high of \$29.838. Oil prices fell more than 1 per cent, pulling back from a week of gains.
- Brent crude futures slid 69 cents to settle at \$44.40 a barrel, while U.S. crude futures settled down 73 cents at \$41.22 a barrel.

Source: <https://www.thedailystar.net/business/news/dollar-gains-after-two-year-slump-1941969>

Saudi Aramco profits dive 73pc as virus batters oil demand

- Energy giant Saudi Aramco said on Sunday its second-quarter profits plunged a massive 73 percent due to sharply lower oil prices as the coronavirus crisis undercuts global demand.
- The behemoth, recently dethroned by Apple as the world's most valuable listed company, posted a net profit of \$6.6 billion for the three months to June 30 compared to \$24.7 billion for the same period of 2019. By contrast, Aramco's results reflected its "financial resilience", Nasser said, as the company presses ahead with a plan to pay \$75 billion in dividends this year. Aramco was listed on the Saudi bourse in December following the world's biggest IPO, generating \$29.4 billion for 1.7 percent of its shares.
- US technology firm Apple last week replaced it as the world's most valuable company after its capitalisation grew to \$1.9 trillion, compared to \$1.76 trillion for Aramco.
- Nasser said Aramco would distribute \$18.75 billion in dividends for the second quarter to keep its listing promise of distributing at least \$75 billion in annual dividends for five years.

Source: <https://www.thedailystar.net/business/news/saudi-aramco-profits-dive-73pc-virus-batters-oil-demand-1942505>

Most Asian markets rise with eyes on trade talks, stimulus

- Most Asian markets extended gains Tuesday as concerns about the US-China trade pact eased, while investors remain optimistic that lawmakers in Washington will hammer out a new stimulus for the crippled American economy despite talks struggling.
- There was also some relief that China did not include any members of Donald Trump's administration in a group of 11 Americans hit with sanctions, in retaliation to a similar US move last week linked to the Hong Kong row. Tokyo jumped 1.9 percent as investors returned from a long weekend to play catch-up with Monday's advances, while Seoul and Bangkok each piled on more than one percent.
- But Shanghai dropped more than one percent and Singapore fell 0.8 percent after data showing the city's economy contracted more than first thought in the second quarter. Wellington and Taipei were also down. The stock, which ended Friday at HK\$0.09, had soared more than 2,000 percent to HK\$1.96 at its Tuesday peak, before easing back to end at HK\$1.10. US lawmakers remain deadlocked in their pursuit of a new stimulus, though observers say that with an election around the corner, Democrats and Republicans will likely reach a deal.

Source: <https://www.thedailystar.net/business/news/most-asian-markets-rise-eyes-trade-talks-stimulus-1943481>



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