

# News Blaze of the Week

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Issue 13

## Quotation Corner

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**“Don’t Let Yesterday Take Up Too Much Of Today.”**

**– Will Rogers**

**“The Pessimist Sees Difficulty In Every Opportunity. The Optimist Sees Opportunity In Every Difficulty.”**

**-Winston Churchill**

**“People Who Are Crazy Enough To Think They Can Change The World, Are The Ones Who Do.”**

**– Rob Siltanen**

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# Central Bank Regulation

## BB eases payment rules to boost onion import

- The central bank yesterday allowed onion importers to open letters of credit by using the 90-day deferred payment tool as part of efforts to help them import the kitchen staple easily. The deferred payment will be applicable under the buyer's and supplier's credit, according to a central bank notice.
- Deferred payment is a loan arrangement in which the borrower is allowed to start making payments at some specified time in the future. It is often used in retail settings where a person buys and receives an item with a commitment to begin making payments at a future date.
- The buyer's credit is a short-term loan facility extended to an importer by an overseas lender such as a bank or financial institution to finance the purchase of capital goods, services, and other big-ticket items. On September 17, the central bank instructed banks to keep the margin on the opening of LCs for onions at a minimum level.
- Bangladesh Bank said the price of onion is on an upward trend at local markets following the price hike of the key cooking ingredient in international markets. Prices shot up between Tk 100 and Tk 120 per kg last week after India announced halting onion export to Bangladesh.
- Just a week earlier it was Tk 40 and Tk 50 per kg. Yesterday, the local variety was selling at Tk 80 to Tk 90, up 47.83 per cent from a week ago. Imported onions sold for Tk 55 to Tk 70, up 31.58 per cent from last week, data from the state-run Trading Corporation of Bangladesh showed.

Source: <https://www.thedailystar.net/business/news/bb-eases-payment-rules-boost-onion-import-1965317>







# Banks and Financial Institutions

## National Housing Finance and Investments approves 10pc cash dividend

- The 21st Annual General Meeting (AGM) of National Housing Finance and Investments Limited was held on Sunday on a virtual platform. The shareholders approved 10 per cent cash dividend for the year 2019.
- National Housing is one of the largest financial institutions in the country engaged mainly with home loan. Total shareholders' equity of the company is Tk. 1,892.13 million as on December 31, 2019 and earned Tk. 236.81 million as net profit after tax during the year 2019.

Source: <https://today.thefinancialexpress.com.bd/stock-corporate/national-housing-finance-and-investments-approves-10pc-cash-dividend-1600701309>

## Southeast Bank opens its Khilgaon Taltola sub-branch

- Southeast Bank Limited inaugurated its Khilgaon Taltola sub-branch at Kopotakkha JF Tower, Khilgaon in the city on Monday. Southeast Bank's first and the foremost priority is to provide quality service and maximum satisfaction to the customers. From now on, technology-backed modern banking services will be provided to the customers from the newly opened Khilgaon Taltola sub-branch.

Source: <https://today.thefinancialexpress.com.bd/stock-corporate/southeast-bank-opens-its-khilgaon-taltola-sub-branch-1600701429>

## Mutual Trust Bank signs MoU with UPSL

- The Mutual Trust Bank Limited (MTB) signed a Memorandum of Understanding (MoU) with United Property Solutions Limited (UPSL) at a function at United House, Madani Avenue, in the city on Monday. Under the MoU, the clients of UPSL will be able to avail home loan with 50 per cent waiver on the loan processing fee and MTB clients, likewise, will be entitled to buy apartments with special discounted offer from the UPSL.



## 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

## National Housing Finance and Investments re-elects Chairman and Vice Chairman

- The Board of Directors of National Housing Finance and Investments Limited in its 219th meeting held recently elected Mahbubur Rahman as Chairman and Syed M. Altaf Hussain as vice chairman of the company for next 2 years.
- Mr. Mahbubur Rahman is the President of International Chamber of Commerce (ICC) - Bangladesh, The world business organization. He is also Chairman and CEO of ETBL Holdings Limited and Founder Chairman, Eastland Insurance Co. Ltd. Syed M. Altaf Hussain has been elected as Vice-Chairman of National Housing Finance and Investments Limited at its 219th Meeting of the Board recently for 2 years.

Source: <https://today.thefinancialexpress.com.bd/stock-corporate/national-housing-finance-and-investments-re-elects-mahbubur-rahman-chairman-altaf-hussain-vice-chairman-1600790772>

## MBL signed MoU with PrimaDollar, UK

- Mercantile Bank Limited (MBL) signed a Memorandum of Understanding (MoU) with PrimaDollar, UK to facilitate Fintech-based export factoring services to the customers of MBL exporting under Open Account credit terms on Monday. Under Export Factoring, exporters of MBL may be eligible to receive up to 95 per cent of the deferred value of the goods on sight basis from PrimaDollar, UK.

Source: <https://today.thefinancialexpress.com.bd/stock-corporate/mbl-signed-mou-with-primadollar-uk-1600791089>

## Rate cut lowers Q2 fixed deposits

- The volume of fixed deposits with the banking system fell by 2.41 per cent in the second quarter ending in June compared to January-March, dwindled by lower interest rate. The amount of fixed deposits decreased by Tk 139.4 billion to Tk 5.67 trillion in the three months to June compared with the preceding quarter. The volume of savings deposits, on the other hand, grew by nearly 9.0 per cent to Tk 2.7 trillion in April-June period over January-March.
- The current share of fixed deposit to total deposits is nearly 45 per cent while savings accounts belong to over 21 per cent. However, the share of private sector deposits was 80.99 per cent while the public sector deposits accounted for 19.01 at the end of April-June, 2020. Private sector deposits increased by 4.80 per cent at the end of the quarter page 18 compared to the preceding quarter

Source: <https://today.thefinancialexpress.com.bd/first-page/rate-cut-lowers-q2-fixed-deposits-1600884009>





# Banks and Financial Institutions

## Al-Arafah Islami Bank re-elects Chairman, Vice Chairman

- Abdus Samad Labu has been re-elected as the Chairman and Mohammed Abdus Salam as the Vice Chairman of Al-Arafah Islami Bank Limited. The 351st meeting of the board of directors re-assigned them as Chairman and Vice Chairman unanimously on Wednesday.

Source: <https://today.thefinancialexpress.com.bd/stock-corporate/al-arafah-islami-bank-re-elects-chairman-vice-chairman-1600877884>

## Prime Bank launches 'Neera'

- Prime Bank has introduced a unique women-focused initiative 'Neera' with a promise to help achieve financial freedom, social progress, self-care and wellness of women of all spheres of the society. The primary objective of 'Neera' is to integrate all women irrespective of age, profession, income, social status, of urban or rural areas into financial system especially those who are unbanked.
- 'Neera' will emphasize in catering to the unbanked women, for example, homemakers, who are not being served in traditional banking system, also those are lagging behind in the society and also those who do not have previous history of banking relationships at all. Women will find 'Neera' by their side in their pursuit of standing on their foot and achieving true independence and self-esteem in life.

Source: <https://today.thefinancialexpress.com.bd/stock-corporate/prime-bank-launches-neera-1600877986>

## Standard Chartered holds Saadiq Virtual Expo 2020

- Standard Chartered Saadiq, the global bank's Islamic banking division, organised a two-day "Saadiq Virtual Expo 2020" recently introducing clients and stakeholders to its Shariah-compliant banking products and digital solutions. Standard Chartered Saadiq has completed 15 years of operation in Bangladesh in 2020, according to the statement.
- It informed of offering retail banking, Islamic cash management, working capital and financing solutions for corporate clients. It said to have "introduced a number of firsts" such as a Shariah-compliant Islamic credit card in 2007 and a Sukuk market transaction arrangement in 2019.

Source: <https://www.thedailystar.net/business/news/standard-chartered-holds-saadiq-virtual-expo-2020-1966477>

# Banks and Financial Institutions

## Bank Asia arranges Tk 700cr for cement plant of Bashundhara

- While an unhealthy competition plagues Bangladesh's cement sector for its 43 per cent overcapacity, Bashundhara Group has gone on to look beyond borders for opportunities. It found it in the India's Seven Sister states. Now it is attempting to grab this export market in northeast India through a Tk 1,000 crore investment geared towards doubling its manufacturing capacity through the establishment of a third production unit.
- This is on way to become the second biggest investment in the cement sector after the Tk 1,300 crore expansion plan taken up by Premier Cement, at least in the past two years or so. To materialise the plan, Bashundhara is mobilising Tk 700 crore from banks. According to Ali, Bank Asia will provide Tk 150 crore while the other banks the remaining Tk 550 crore. Through this expansion, Bashundhara's daily production capacity will reach 25,000 tonnes, Khandoker Kingshuk Hossain, chief marketing officer of the conglomerate's cement business, told The Daily Star.
- There are 37 active cement factories in Bangladesh which invested over Tk 30,000 crore to attain a combined annual production capacity of 58 million tonnes against a demand of 33 million tonnes. According to Bangladesh Cement Manufacturers Association (BCMA), local companies dominate the market where annual sales have reached \$3 billion, or Tk 25,500 crore. Of the total consumption, individuals account for 25 per cent, real estate companies and developers 30 per cent and the government 45 per cent. Bangladesh's per capita cement consumption is around 181 kilogrammes. It is expected to increase to 220 kg by 2020.

Source: <https://www.thedailystar.net/business/news/bank-asia-arranges-tk-700cr-cement-plant-bashundhara-1964817>

# Banks and Financial Institutions

## HSBC introduces dual currency transaction feature on debit card

- British lender HSBC has introduced a dual currency transaction feature on its debit card. The new facility will offer cardholders greater flexibility and help them to carry out overseas transactions for shopping, dining and any other needs. To avail the service, existing cardholders need to visit their nearest HSBC branch and endorse their passport for travel quota entitlement against their existing local HSBC debit card.
- Once this is done, the existing local HSBC debit card will be accepted for purchases in all Visa merchants around the world as well as in Bangladesh. He thanked Bangladesh Bank for allowing this feature in debit cards recently for the banking industry.
- HSBC, which has offices in 64 countries and territories around the world, opened its first branch in Bangladesh in 1996. It offers a range of financial services, including commercial banking, consumer banking, global liquidity and cash management, trade services, treasury, and custody and clearing. Currently, HSBC Bangladesh operates in both the major commercial hubs of Dhaka and Chattogram and has presence in all eight export processing zones.

Source: <https://www.thedailystar.net/business/news/hsbc-introduces-dual-currency-transaction-feature-debit-card-1964789>





# Stock Market Update

## Stocks nosedive for third straight day

- Stocks in the premier bourse witnessed a drop for the third consecutive day following a steady rise for over a week. DSEX, the benchmark index of the Dhaka Stock Exchange, shed 76 points, or 1.50 per cent, yesterday to stand at 5,012.12. The index underwent corrections in the last few days, not long after the market had risen to a sustainable position, he said. DSEX rose by 152 points during September 10-16 but dropped 103 points in the last three days, as per DSE data.
- Turnover, a major indicator for the market, dropped 11 per cent to Tk 977.58 crore yesterday at the Dhaka bourse. Of the total 355 traded stocks, 82 advanced, 259 declined and 14 were unchanged, according to DSE data. The DSE's turnover list was topped by DBH, which traded shares worth Tk 26.63 crore, followed by Beximco, Rupali Insurance, Beximco Pharmaceuticals, and Purabi General Insurance.
- The Chattogram bourse also witnessed a reduction in its benchmark index. The CSCX, the benchmark index of the Chittagong Stock Exchange, dropped 126 points, or 1.44 per cent, to 8,597.43. Of the total 286 stocks, 85 rose, 184 fell and 17 remained unchanged.

Source: <https://www.thedailystar.net/business/news/stocks-nosedive-third-straight-day-1965301>

## DSEX dips below 5,000-mark on selling binge

- Stocks extended the losing streak for the fourth straight session Tuesday, with key index of the major bourse falling below 5,000-mark, as investors continued booking profits on major sectors issues. DSEX, the prime index of the Dhaka Stock Exchange (DSE), settled at 4,970, shedding 42.01 points or 0.83 per cent over the previous day. The core index lost more than 146 points or 2.85 per cent in the past four consecutive sessions after a big jump in recent weeks.
- The benchmark index surged a cumulative 1,144 points or 29 per cent in the past 13 consecutive weeks. The DSE market-cap also added Tk 752 billion during the period under review. According to the order, merchant banks or brokerage firms will now be able to provide margin loan to their clients at a maximum limit of 1:1 when the DSEX will be below 4,000 points.
- Top negative index contributors of the market were British American Tobacco, Bangladesh Submarine Cable, Berger Paints, Beacon Pharma and Beximco, according to data from amarstock.com, a stock market data analyst. Two other indices also ended lower. The DS30 index, comprising blue chips, lost 12.61 points to finish at 1,714 and the DSE Shariah Index slumped 11.37 points to close at 1,126.

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Source: <https://today.thefinancialexpress.com.bd/stock-corporate/dsex-dips-below-5000-mark-on-selling-binge-1600790915>



# Corporate Market Update

## Apex Footwear recommends 25pc cash dividend

- The board of directors of Apex Footwear Ltd, a pioneer in the manufacture and export of leather footwear from Bangladesh, has recommended 25 per cent cash dividend for the year ended on June 30, 2020. The EGM and annual general meeting (AGM) will be held on November 12 at 11:00am and 11:15am respectively using the digital platform.
- The record date for EGM and AGM is on October 12. The leading shoemaking brand in Bangladesh has also reported earnings per share (EPS) of Tk 5.62, net asset value (NAV) per share of Tk 249.95 and net operating cash flow per share (NOCFPS) of Tk 144.14 for the year ended on June 30, 2020 as against Tk 10.91, Tk 249.83 and Tk 86.29 respectively for the same period of the previous year.

Source: <https://today.thefinancialexpress.com.bd/stock-corporate/apex-footwear-recommends-25pc-cash-dividend-1600790834>

## 'Britain makes trade deal with EU more difficult'

- Britain is making it more difficult to reach a basic trade deal with the European Union by pushing through domestic legislation that undermines its international withdrawal treaty with the EU, Irish foreign Minister Simon Coveney said on Tuesday.
- Speaking to reporters after EU ministers were briefed by the EU's chief Brexit negotiator Michel Barnier on progress in talks, Coveney said many EU foreign ministers were starting to think that Britain did not want a deal with the EU. The government of Prime Minister Boris Johnson is pushing a bill, expected to pass through the lower chamber of parliament next week that would break agreements Britain made in the withdrawal treaty.

Source: <https://today.thefinancialexpress.com.bd/trade-market/britain-makes-trade-deal-with-eu-more-difficult-1600791954>

## Indian gold dealers bank on festivals to bring back customers

- Gold jewelers in India pinned hopes on an upcoming festival season, with dealers offering discounts for a fifth straight week to lure customers back to shops, as activity remained muted in Asian bullion hubs.
- In India, discounts eased to \$23 an ounce over official domestic prices, inclusive of 12.5 per cent import and 3 per cent sales levies, from last week's \$30. On Friday, domestic gold futures prices were around 51,500 rupees per 10 grams, on track for a 0.5 per cent gain for the week. In China, discounts eased slightly to \$44-\$48 an ounce from last week's \$45-\$50, with most purchases coming only from the investment side. Gold was sold at \$0.80-\$1.50 an ounce premium in Singapore. Japan saw premiums of \$0.30-\$0.50. Both buyers and sellers were active this week, a Tokyo-based trader said.
- In Bangladesh, domestic prices were hiked for a second time this week with the best quality gold priced at 76,458 taka (\$903.44) per Bhuri as a weaker domestic currency drove up import costs.

Source: <https://www.thedailystar.net/business/news/indian-gold-dealers-bank-festivals-bring-back-customers-1964153>



# International Business

## Intel gets US licences to supply some products to Huawei

- Intel Corp has received licences from US authorities to continue supplying certain products to Huawei Technologies, an Intel spokesman said on Tuesday.
- With US-China ties at their worst in decades, Washington has been pushing governments around the world to squeeze out Huawei, arguing that the telecoms giant would hand data to the Chinese government for espionage.
- From September 15, new curbs have barred US companies from supplying or servicing Huawei.
- This week the state-backed China Securities Journal said Intel had received permission to supply Huawei. The person, declining to be identified as they were not authorised to speak to media, said non-US firms may not have a high chance of getting US approval, and chipmakers are drafting contingency plans to increase supplies to other customers.

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

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