

Bangladesh market snapshot

	Last closing
DSEX Index	5,395.63
% change	-0.29%
DS30 Index	1,894.39
% change	-0.18%
DSES Index	1,233.28
% change	-0.15%
Turnover (BDT mn)	4,456.71
Turnover (USD mn)	53.06
% change	-19.56%
Market Capitalization (BDT bn)	3,979
Market Capitalization (USD bn)	47.37
% change	-0.27%

Source: Dhaka Stock Exchange

International market snapshot

	Last closing
Dow Jones Industrial Average	26,719.13
% change	-0.13%
Nikkei 225	21,258.64
% change	-0.95%
FTSE 100	7,407.50
% change	-0.23%

Source: Bloomberg

Exchange rate

Currency	BDT
USD	84.28
EUR	94.04
GBP	107.39
INR	1.21

Source: Bangladesh Bank

Money Market

Date	Call Money Rate Range (%)	Weighted Average (%)
19-June-2019	4.00-5.00	4.56
18-June-2019	4.00-5.00	4.55

Source: Bangladesh Bank

Commodities

	Price	% Change
Brent Crude (Oil), USD/bbl	65.20	+1.16%
Gold Spot, USD/t oz	1,399.63	+0.81%
Cotton, USD/lb	65.56	-0.61%

Source: Bloomberg

Economy

Default loan in Bangladesh now over Tk 1.02 trillion

The number of total loan defaulters in the country is now 170,390 and total amount of defaulted loans is over Tk 1.02 trillion (Tk 102,315.19 crore). Total number of loan defaulters in the country has been increased to 170,390 in 2018 from 111,954 in 2015. And total amount of defaulted loans has stood at Tk 102,315.19 crore (over Tk 1.02 trillion) in 2018 from Tk 59,105 crore (Tk 591.05 billion) in 2015.

<https://thefinancialexpress.com.bd/economy/bangladesh/default-loan-in-bangladesh-now-over-tk-102-trillion-1561203812>

Bangladesh received \$15.06b remittance till May in FY19

Bangladeshi expatriates have remitted US\$15.06 billion till May in the current fiscal 2018-19, which is \$1,462 million higher than same period of the last fiscal.

<https://thefinancialexpress.com.bd/economy/bangladesh/bangladesh-received-1506b-remittance-till-may-in-fy19-1561200604>

New VAT law to help fetch an addl Tk 365b

The government projects an additional tax revenue of Tk 365.22 billion in the next fiscal year (FY), following the enforcement of the new VAT and Supplementary Duty Act-2012. The highest amount of Tk 70 billion in taxes will be mobilised from tobacco sector. The VAT wing also expects to earn Tk 50 billion worth of extra revenue from the introduction of electronic fiscal device. Two new VAT rates -- 5.0 per cent and 7.5 per cent -- on different products would generate an additional Tk 39.45 billion and Tk 27.36 billion in revenues respectively. Advance tax (AT) at a rate of 5.0 per cent on all importables is expected to generate Tk 15 billion in additional revenue in the upcoming fiscal.

<https://thefinancialexpress.com.bd/economy/bangladesh/new-vat-law-to-help-fetch-an-addl-tk-365b-1561178290>

Loss by SoEs keeps widening

The Bangladesh Power Development Board (BPDB) incurred the highest loss of Tk 10,271.58 crore among 49 state-owned enterprises (SoEs) in the outgoing 2018-19 fiscal year (till April 30). Thirteen other SoEs suffered a loss of Tk 13,068.62 crore during the period against their losses of Tk 11,366.30 crore in the 2017-18 fiscal year, which means the losses of these SoEs have gone up by Tk 1,701.70 crore. The BES reveals that the amount of loss incurred by the PDB in the last fiscal year was Tk 9,284.62 crore. The loss counted by the Bangladesh Road Transport Corporation (BRTC) has declined to Tk 59.91 crore as the amount was Tk 95.52 crore in the 2017-18 fiscal year.

<http://www.theindependentbd.com/post/204320>

NBR to lose Tk 400cr for pampering tobacco companies

The National Board of Revenue's move to change the VAT and

Supplementary Duty Act 2012 to offer input tax credit to cigarette companies is likely to bleed about Tk 400 crore annually from the state coffer. The benefit was left out when the new VAT law was formulated back in 2012. But now, the revenue collector has proposed the change in the Finance Bill 2019.

<https://www.thedailystar.net/business/news/nbr-lose-tk-400cr-pampering-tobacco-companies-1761067>

NBR estimates Tk7,000cr in extra revenues from cigarette price hikes

The government has planned to earn Tk7,000crore more only from the rise in cigarette prices in the budget for fiscal year 2019-20. NBR has collected Tk21,976crore from cigarette business in FY2017-18. The contribution of the sector to the country's total revenue generation was 10.67% in the fiscal.

<https://www.dhakatribune.com/business/regulations/2019/06/22/nbr-estimates-tk7-000cr-in-extra-revenues-from-cigarette-price-hikes>

11 more service providers must use EFD

National Board of Revenue has made the use of electronic fiscal device (EFD) mandatory for 11 new types of service providers having annual turnover over Tk 50 lakh. Previously, use of EFD was mandatory for 13 categories of shops and services providers. Value-added tax wing of NBR on June 13, issued a general order in this connection along with other rules and regulations as part of the proposed national budget for the fiscal year 2019-2020.

<http://www.newagebd.net/article/76222/11-more-service-providers-must-use-efd>

Bank & NBFIs

Hackers steal \$1.8m from 2 private banks

In a spate of cyber attacks carried out by international hackers last month, two of the private banks of Bangladesh – Dutch Bangla Bank Limited (DBBL), and Prime Bank Limited – have lost around \$1.8 million. Dutch Bangla Bank Limited (DBBL) lost as much as \$1.4 million (around Tk11crore), while Prime Bank lost \$0.40 million (around Tk3.36crore) to the cyber criminals. However, NCC Bank Limited managed to avert financial losses, sources at the central bank confirmed. These were the biggest cyber attacks after hackers made off with \$81 million from Bangladesh Bank's account with the Federal Reserve Bank in New York around three and a half years ago.

<https://www.dhakatribune.com/business/banks/2019/06/22/hackers-steal-1-8m-from-2-private-banks>

Textile

RMG sector maintains positive trend

On the back of value-added products, government policy support, capacity enhancement and completion of 95 per cent factory remediation work set by the Accord and Alliance, the Bangladeshi RMG sector is maintaining a positive trend in export earnings. Bangladesh's apparel exports to global markets have seen a 12.82 per cent rise to USD 31.73

billion in the first eleven months of the current fiscal year. The RMG sector earned USD 31.73 billion during the July-May period of FY19, up by 12.82 per cent from the USD 28.12 billion earned during the same period of the previous fiscal year.

<http://www.theindependentbd.com/post/204207>

Telecom

Shareholders may consider sale of Robi, says CEO

The government's move to raise the mobile operators' turnover tax to 2 percent from 0.75 percent from the new fiscal year will drive the smaller operators out of the industry, said Mahtab Uddin Ahmed, chief executive officer and managing director of Robi. In 2018, Robi had declared Tk 214.7 crore in net profits. The operator's shareholders are very frustrated about the new tax measures and Ahmed will not be surprised if they decide to put Robi up for sale.

<https://www.thedailystar.net/business/bangladesh-telecom-operator-robi-fear-of-profit-losing-as-turnover-tax-hike-1761058>

Fuel & Power

Matarbari power plant loan

Japan has finally agreed to provide US\$1.3 billion funds for Matarbari 1,200MW thermal power plant, softening its earlier position. The Asian economic giant did not confirm the funding during the Prime Minister's recent visit to Tokyo. Now, the Japan International Cooperation Agency (JICA), the official funding agency, has agreed to sign the loan deal by the end of this month.

<http://today.thefinancialexpress.com.bd/first-page/matarbari-power-plant-loan-1561222939>

Capital Market

BSEC readies proposals before meeting with NBR tomorrow

The securities regulator BSEC will submit a set of 'specific' proposals to the National Board of Revenue (NBR) tomorrow (Monday) on the measures, including the tax on reserves, in the proposed budget for the fiscal year (FY) 2019-20.

<http://today.thefinancialexpress.com.bd/last-page/bsec-readies-proposals-before-meeting-with-nbr-tomorrow-1561223133>

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Recommendation Type	Holding period (if not otherwise mentioned)	Absolute Return Potential
Buy	12 Months	More than +15%
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