

Bangladesh market snapshot

	Last closing
DSEX Index	5,375.29
% change	-1.02%
DS30 Index	1,889.39
% change	-0.82%
DSES Index	1,224.00
% change	-0.92%
Turnover (BDT mn)	5,352.78
Turnover (USD mn)	63.72
% change	0.18%
Market Capitalization (BDT bn)	3,969
Market Capitalization (USD bn)	47.24
% change	-0.88%

Source: Dhaka Stock Exchange

International market snapshot

	Last closing
Dow Jones Industrial Average	26,112.53
% change	0.09%
Nikkei 225	20,993.70
% change	-0.62%
FTSE 100	7,357.31
% change	0.16%

Source: Bloomberg

Exchange rate

Currency	BDT
USD	84.50
EUR	94.73
GBP	106.41
INR	1.21

Source: Bangladesh Bank

Money Market

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

Source: Bangladesh Bank

Commodities

	Price	% Change
Brent Crude (Oil), USD/bbl	51.89	-0.08%
Gold Spot, USD/t oz	1,344.70	0.13%
Cotton, USD/lb	65.97	-0.68%

Source: Bloomberg

Economy

No liquidity crisis in banking sector: PM

Prime Minister Sheikh Hasina told on Monday Parliament that there is no liquidity crisis in the banking sector insisting that certainly there is money in banks, reports UNB. "It's said there's no money in the banks. Why don't they (the banks) have money? Of course, the money is there. But, there is no money to be looted," she said. The Prime Minister said this while winding up her speech on the supplementary budget for 2018-19 fiscal year in the absence of Finance Minister AHM Mustafa Kamal.

<http://today.thefinancialexpress.com.bd/first-page/no-liquidity-crisis-in-banking-sector-pm-1560793364>

Bank

Steps to lower NPL volume

The Bangladesh Bank (BB) Governor Fazle Kabir said the central bank has taken various steps to reduce the amount of non-performing loans (NPL) in the banking system. Since the country's economy is growing, the volume of NPL may rise, the governor opined, but also added that it (rise of NPL) is not right. Referring to the observations of various think-tanks and other organisations, he noted that usually NPL rises during December-March period by 1.5 per cent. But this year it has increased a bit over 1.5 per cent.

<http://today.thefinancialexpress.com.bd/last-page/steps-to-lower-npl-volume-1560792886>

Now MFS providers to pay service charge

The country's mobile financial service (MFS) providers will have to pay service-based charge to mobile network operators (MNOs) for using their infrastructure, according to new directives issued by Bangladesh Telecommunication Regulatory Commission (BTRC). MFSPs used to pay mobile operators 7 per cent of their profits. If any MFSP earns Tk 20 per Tk 1,000 transactions, it used to pay 7 per cent to MNO. The new charge will be based on mobile operators' services, irrespective of transactions.

<http://today.thefinancialexpress.com.bd/trade-market/now-mfs-providers-to-pay-service-charge-1560790494>

Dual show aimed at promoting business sector in Bangladesh

Former finance advisor Dr A B Mirza Azizul Islam expressed on Monday his dissatisfaction over the poor attention the budget paid to address the banking sector problems. "I am extremely disappointed at the inadequate attention paid to the banking sector," he said. Mr Islam said the finance minister mentioned that wilful defaulters will be dealt with firmly. "But it was not mentioned how the wilful defaulters will be defined and why the stern actions are not taken immediately."

<http://today.thefinancialexpress.com.bd/first-page/budget-brushes-aside-banking-malaise-1560793313>

Bank cards to be costlier

The cost for issuing new credit and debit cards will balloon 3-6 times after the government imposed fresh duty on the imported items, which the bankers say is conflicting with the Bangladesh Bank's push towards a cashless society. In the budget for fiscal 2019-20 unveiled on June 13, there was a fresh tariff of \$0.70 on each magnetic stripe card import, \$2 for chip-and-pin card and \$3 for contactless card.

<https://www.thedailystar.net/business/news/bank-cards-be-costlier-1758637>

NPLs of 10 banks increase alarmingly in Jan-March period

The non-performing loans (NPLs) of three state-owned and seven private banks have increased alarmingly compared to other banks during the first three months of 2019. According to Bangladesh Bank (BB) data, non-performing loans (NPLs) in the banking sector rose by Tk16,962 crore during the period of January-March. NPLs of 10 banks rose by Tk11,881 crore, or 70.04 % of the total. The banks are Janata Bank, Agrani Bank, Rupali Bank, and private commercial banks- Islami Bank, National Bank, Al-Arafah Islami Bank, Mercantile Bank, One Bank, Southeast Bank, and Standard Bank.

<https://www.dhakatribune.com/business/banks/2019/06/17/npls-of-10-banks-increase-alarmingly-in-jan-march-period>

Transport

Transport operators to face higher tax

Road and water transport operators are set to face 25 percent higher taxes on their earnings from next fiscal year as the revenue authority feels tax collection from the transport sector is not up to the mark. The spike in taxes, which comes five years after the NBR had increased the presumptive tax from road and water transport owners, is expected to fetch higher revenues, he said. Land and water transport accounts for nearly 8 percent of the country's GDP in fiscal 2018-19. Yet, tax collection from all vehicles, including personal cars, hover around Tk 1,000 crore, according to data from the Bangladesh Bureau of Statistics and the NBR.

<https://www.thedailystar.net/business/news/transport-operators-face-higher-tax-1758643>

Stock

Prime Bank appoints new DMD & CBO

Faisal Rahman has recently been appointed as Deputy Managing Director and Chief Business Officer of Prime Bank Limited. He will lead Corporate & Institutional Banking Division and is expected to play a pivotal role as a member of the bank's leadership team. In his immediate past role, Faisal was the Senior Executive Vice President and Head of Relationships & Structured Finance Unit, Corporate Banking Division of Eastern Bank Limited, where he played an instrumental role towards development of the infrastructure financing, particularly in power, energy, transportation, telecommunication and aviation sector.

<http://today.thefinancialexpress.com.bd/stock-corporate/prime-bank-appoints-new-dmd-cbo-1560790035>

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Recommendation Type	Holding period (if not otherwise mentioned)	Absolute Return Potential
Buy	12 Months	More than +15%
Neutral/ Hold	12 Months	Between +15 % and -5 %
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