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Suspicious transactions go up 64pc

Authorities say reporting agencies now more serious about anti-money laundering steps

AKM ZAMIR UDDIN
 Banks and financial organisations sent a record number of suspicious transaction and activities reports to the Bangladesh Financial Intelligence Unit last fiscal year, in an indication of their commitment to fight money laundering.
 In fiscal 2017-18, the BFIU received a total of 3,878 suspicious transaction reports (STR) and suspicious activity reports (SAR) from reporting agencies, up 64.50 percent year-on-year, according to the BFIU's annual report, which was released last week.
 This is a good sign that banks and other reporting agencies concerned had given more attention to the suspicious transaction

and activities as part of their fight against money laundering and terrorist financing, bankers said.
 The quality of STRs and SARs submitted by reporting agencies also improved, said Abu Hena Mohd Razee Hassan, chief of the intelligence unit.
 The BFIU is responsible for analysing STR, SAR, cash transaction reports and information related to money laundering and terrorist financing received from reporting agencies and other sources.
 Last fiscal year, BFIU disseminated a total of 677 STRs and SARs to different investigations and law enforcement agencies in contrast to 121 the previous year, according to the report.
 The BFIU initially analyses and investigates the complaints submitted by reporting agencies.
 If any anomaly is found, it forwards the reports to the Anti-Corruption Commission, Bangladesh Police and other government agencies for further investigation, Hassan said.

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Ban on use of multiple accounts for collecting ins premium

STAR BUSINESS REPORT
 The insurance regulator has issued a notice recently imposing a restriction on use of multiple bank accounts by non-life insurance companies for premium collection.
 Only one bank account can be used and the same must be used to pay taxes to the government, a limit put in place to stop unhealthy commission business, said Gokul Chand Das, a member of the Insurance Development and Regulatory Authority (IDRA).
 He said insurers were allowed to spend the highest 15 percent against their commission income but most were found going past the limit using multiple bank accounts for premium collection.
 The move will also help the authority to easily monitor income and expenditure of insurance companies, he added.
 The insurance companies were asked to close the multiple bank accounts by May 13 and send updates. Later, the time was extended till June 30 in response to a request from Bangladesh Insurance Association (BIA).
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Bangladeshis will be richer than Indians by 2030: StanChart

STAR BUSINESS REPORT
 Bangladeshis will be richer than Indians by 2030 as the country's per capita income will grow nearly four times throughout the 2020s, according to Standard Chartered -- in yet another endorsement of its tremendous growth momentum.
 The per capita income of Bangladesh will rise to \$5,734.6 in 2030. India's will edge up to \$5,423.4 after growing less than three times, according to a research note from Madhur Jha, Standard Chartered India's head of thematic research, and David Mann, the bank's global chief economist.
 Last year, Bangladesh's per capita income stood at \$1,599.8 and India's \$1,913.2.
 The note highlights the economies around the world that are likely to grow the fastest in the 2020s.
 The threshold for the list is 7 percent, the approximate growth rate at which an economy can double in size every 10 years.
 The note expects seven countries to do this in the 2020s: India, Bangladesh, Vietnam, the Philippines, Myanmar, Ethiopia and Ivory Coast.
 "We think seven countries have the potential to be members of this club in the 2020s. Of these, Bangladesh and India hold the most promise."
 Speaking to The Daily Star, Naser Ezaz Bijoy, chief executive officer of Standard Chartered Bangladesh, said the country is experiencing a decade of strong and inclusive growth.
 "With the tailwind of demographic dividend, healthy domestic consumption, rising investment, and successful export-oriented industrialisation, we have every



We have every confidence that our nation will continue on this high-growth trajectory in the 2020s, and establish itself firmly in the "7% club", says Naser Ezaz Bijoy, CEO of Standard Chartered Bangladesh

POTENTIAL 7% CLUB MEMBERS IN THE 2020s

	2018	2030
Bangladesh	1,599.8	5,734.6
India	1,913.2	5,423.4
Vietnam	2,469.3	10,407.9
Côte d'Ivoire	1,812.1	4,427.7
Ethiopia	852.7	2,770.2
Philippines	3,122.0	6,905.6
Myanmar	1,297.7	4,782.6

SOURCE: STANDARD CHARTERED RESEARCH FORECASTS, WB, IMF WEO, UN POPULATION STATISTICS

Bangladesh came close.
 "Young labour forces and accelerating structural reforms are likely to help both Bangladesh and India achieve growth well more than 7 percent in the coming decade."
 Within the 7 percent list, Bangladesh's per capita income will be less than that of Vietnam and the Philippines in 2030, while it will be ahead of Ivory Coast, Ethiopia and Myanmar -- apart from India.
 Bangladesh has seen a growth acceleration since 2010, to an average of 6.4 percent, as a stable government, infrastructure investment and improved energy supply have boosted productivity gains.
 The country posted more than 7 percent GDP growth in the last three fiscal years and is estimated to go past the 8 percent mark this fiscal year.
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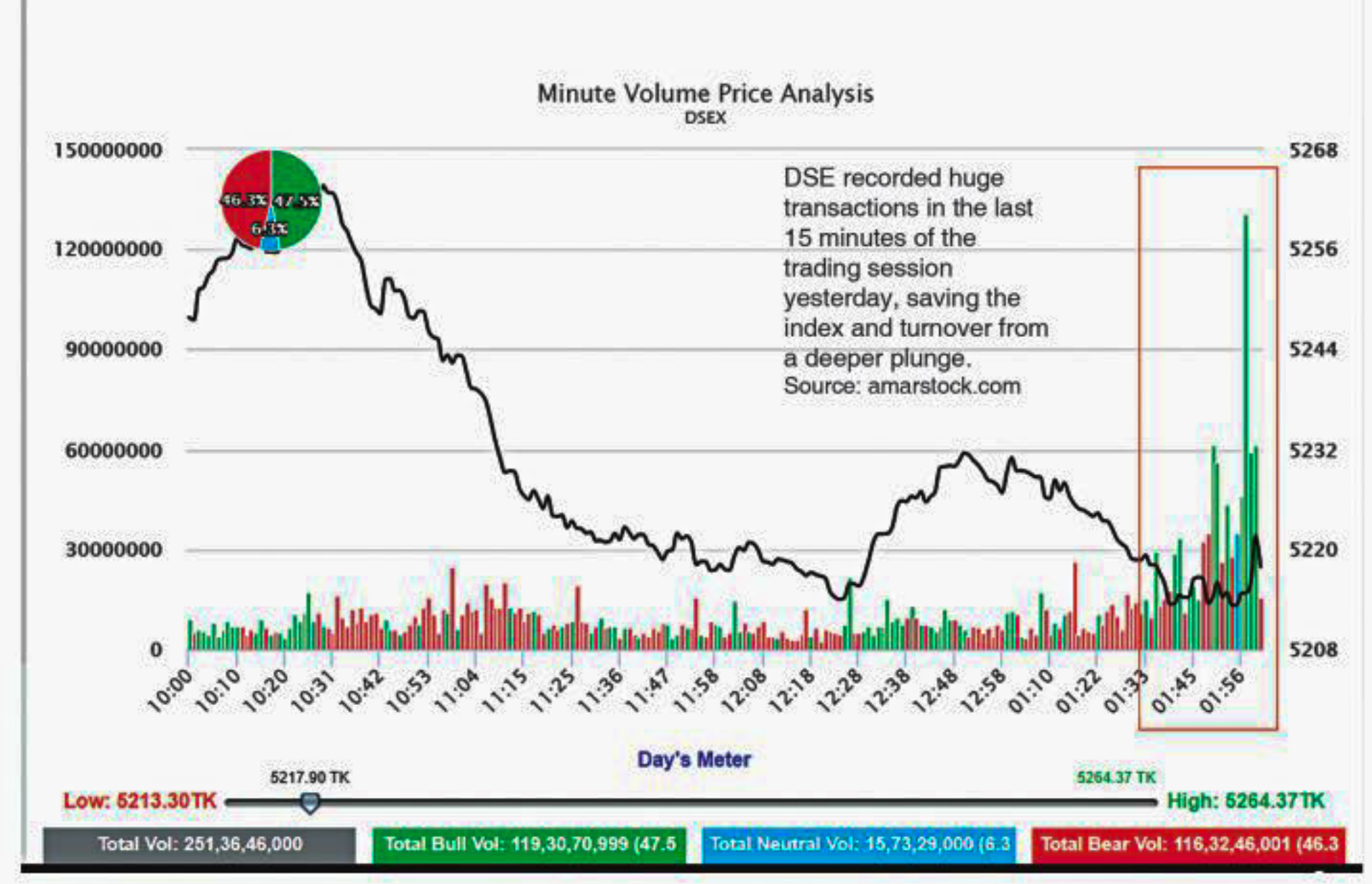
DSE turnover hits 13-month low

STAR BUSINESS REPORT
 The stocks have continued to bleed on Dhaka Stock Exchange, pushing the turnover to a 13-month low yesterday despite a raft of measures from the government that aimed to revive the market.
 The turnover, an important indicator, dropped 17.59 percent to Tk 251.4 crore, the lowest since March 25, when it was Tk 224.53 crore.
 "The impact of the liquidity crunch in the banking sector has spread in the stock market," said Khairul Bashar Abu Taher Mohammed, secretary general of Bangladesh Merchant Bank Association.
 Though some stocks have become lucrative, many institutional investors can not invest in the market as they are suffering from a credit crunch, said Bashar, also the chief executive officer of MTB Capital.
 Market insiders say the index and the turnover of the market would have fallen further if one institutional investor did not support the market at the very end of the trading session.
 The DSEX, the benchmark index of the bourse, declined 29.91 points, or 0.56 percent, finishing the day at 5,217.91. The index has lost 58 points in the last three trading days.
 In the last two months, Tk 35,064 crore, or 8.35 percent, was wiped from the market.
 The bleeding continues even after the central bank last week decided to re-allocate a revolving fund of Tk 856 crore to

the market to halt the fall. It also agreed to change the definition of market exposure.
 The finance minister said some incentives would be given to stock investors in the upcoming budget, to be unveiled next month.
 Furthermore, the stockmarket regulator has taken some decisions to halt the fall in share prices.
 As per the decisions, the general investors' quota in the initial public offering shares has been increased by 10 percentage points. Besides, the lock-in period for sponsors and

placement shareholders will be counted from the trading day of a stock instead of the day of the issuance of prospectus.
 Also, it decided to rein in the blanket bonus share declaration without any reason and control the placement share selling.
 "The decisions could not dampen the impact of the liquidity crisis, so the market remains drowsy," said the managing director of a leading brokerage house, preferring not to be named.
 He said the government should take necessary steps to resolve the liquidity

crunch at first in order to see a surge in the stock market. "If the money market does not have excess liquidity, how can the stock market go up?"
 Excess liquidity stood at Tk 63,921 crore as of February, down 5.82 percent from a month earlier and 14.56 percent year-on-year, according to data from the central bank.
 As the liquidity crunch is intensifying, banks are offering 11-12 percent interest on deposits.
 The higher deposit rate will draw in idle money to the banking sector, meaning the money will not come to the stock market, said the managing director.
 A top official of another brokerage house said the stock market has also been hit by foreign investors as they are opting for sales. As a result, the well-performing stocks are falling the most, he added.
 Yesterday, the most negative contributors to the market were Grameenphone, Brac Bank and Square Pharmaceuticals.
 Of the traded issues, 76 advanced and 219 declined while 52 securities closing unchanged on the premier bourse.
 Fortune Shoes dominated the turnover chart with 41.05 lakh shares worth Tk 15.22 crore changing hands, followed by Jamuna Bank, Brac Bank, Bangladesh Shipping Corporation and Monno Ceramic.
 Popular Life Insurance was the day's best performer with a 9.89 percent gain while RN Spinning Mills was the worst loser, shedding 6.06 percent.



NEWS IN brief

Block module for sale of shares of sponsors and directors

The stock market regulator yesterday approved a module of the Central Depository Bangladesh Ltd (CDBL) to keep the stocks and mutual fund unit owned by sponsors, directors and placement shareholders of listed companies blocked.
 They are allowed to sell their shares through giving declaration in a proper way and paying taxes. CDBL has trained all the related officers of listed companies, asset management companies and stock exchanges so that they can use the module easily.

Peninsula Balanced Fund gets go-ahead

The draft prospectus of Peninsula Balanced Fund, an open-ended mutual fund, has been approved by the stock market regulator yesterday.
 The primary target of the fund is Tk 20 crore. Of which, Tk 2 crore would be funded by the sponsors and remaining Tk 18 crore will come from the general investors through selling its unit.

Sukuk, derivatives and short-sale rules approved

The Bangladesh Securities and Exchange Commission approved three separate rules on issuing sukuk bond, exchange traded derivatives and short-sale.
 After getting comments and recommendations from all the stakeholders, the commission approved the rules, a gazette will be published very soon. The approval came in a commission meeting yesterday.

Govt sending six investment proposals to Saudi Arabia

STAR BUSINESS REPORT
 Bangladesh is going to send a list of six projects to the Saudi government, including the Dhaka-Barishal-Payra rail link project, in the first phase of investment.
 The decision came at an inter-ministerial meeting at the National Economic Council with Finance Minister AHM Mustafa Kamal in the chair yesterday.
 The others are on the Dhaka-Chattogram-Cox's Bazar rail link, aircraft maintenance and repair facilities in Lalmonirhat, upgradation of state-owned mobile operator Teletalk's services, and two private funds -- investment support fund and portfolio investment.
 In March this year, a high-powered 32-member Saudi business delegation headed by two Saudi ministers visited Bangladesh when the host side sought investment in 17 projects involving \$35

billion.
 A senior finance ministry official said the proposals for the other projects would also be sent soon.
 Majed Bin Abdullah Al-Qasabi, commerce and investment minister, and Mohammed bin Mezyed Altwaijri, economy and planning minister, led the delegation and held talks on March 7 to look for opportunities in different sectors.
 The meeting decided to form a joint working committee headed by a senior Saudi minister.
 The Saudi government is schedule to decide on the projects to invest in consultation with this committee.
 Bangladesh has already formed two high-powered committees to monitor the progress of proposed Saudi investment. One is headed by the finance minister and the other by Nojibur Rahman, principal secretary to the prime minister.

Two new border haats in the offing

PALLAB BHATTACHARYA, New Delhi
 The federal Indian government has cleared Tripura state authorities' proposal for setting up a second integrated check post (ICP) along the border with Bangladesh and two new border "haats", said an official on Tuesday.
 An inter-ministerial meeting chaired by the home ministry's secretary to border management division took the decision on Monday seeking to improve trade and bilateral relations, said Kiran Gitye, special secretary for industries and commerce of Tripura.
 The Land Ports Authority of India would build the ICP at Sabroom sub-division in South Tripura. The first, the Akhaura ICP in Agartala, was set up in 2013.
 The Department of Industries and Commerce has already identified 49 acres of land, including 9 acres of the government, for the second ICP project, to be directly monitored by Prime Minister's Office for its geo-political importance, Gitye said. The Tripura government had sent the ICP proposal to the home ministry for linking a bridge over its Feni river with Chittagong division in 2016.
 The Chittagong port, considered one of the best in Southeast Asia, is about 70 kilometres from the bridge that connects Tripura with Bangladesh.
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People check plastic products at a border haat in Mokamia, Feni.