

IDLC MONTHLY

BUSINESS

REVIEW



Women at work

Empowering country's economy
amongst numerous challenges



financing happiness



আইডিএলসি ফিক্সড ডিপোজিট

আস্থা থাক বিশ্বস্ত হাতে

আইডিএলসি'র কাছে আপনার প্রতিটি টাকা বিশ্বাসের আমানত। তাই, গত ৩৪ বছর ধরে স্বচ্ছতা, সর্বোচ্চ সুশাসন ও ফাইন্যান্সিয়াল সেক্টরের অভিজ্ঞতাকে দক্ষতার সাথে কাজে লাগিয়ে ব্যবসা পরিচালনা করছি আমরা। যেনো আপনার টাকা নিশ্চিতভাবে বাড়তে থাকে নিরাপদে।

- দেশজুড়ে ২০টি জেলা শহরে ৪০টি শাখা
- আপনার সেবায় ১৪০০ জন নিয়োজিত কর্মী
- শ্রেণিকৃত ঋণের পরিমাণ মাত্র ২.৯৪%
- সর্বোচ্চ সুশাসনের জন্য একাধিক আন্তর্জাতিক স্বীকৃতি ও পুরস্কার প্রাপ্তি
- ৩ মাস থেকে শুরু করে বিভিন্ন সুবিধাজনক মেয়াদে ডিপোজিট করার সুবিধা
- AAA ক্রেডিট রেটিং প্রাপ্ত

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Cover Story

Women at work : Empowering country's economy amongst numerous challenges

To increase economic diversification, income equality and most importantly productivity, ensuring economic empowerment of women is indispensable for any country. However, still some challenges are there holding our women back and these vary from sector to sector. Now a days, women are provided with proper training in certain aspects like ICT, Finance etc. Economic globalization has created greater employment opportunities for those women who are from the most disadvantaged sector of the society. F-commerce has created self-employment opportunities boosting the confidence level through several social media platforms like Facebook.

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Capital Market Review

FROM THE EDITOR



Each for Equal: A journey towards ultimate attainment

There was a time when women in leadership positions were thought to be an impossible dream. Things have evidently changed as now we can see women like Indra Nooyi, former CEO of PepsiCo, has consistently ranked among the world's 100 most powerful women. In this competitive world, when we look around, there are a number of inspirational women come to our mind who are leaving their footprints in different areas of expertise and endeavor.

The theme for this year's International Women's Day is #EachforEqual which promotes the concept that an equal world is an enabled world. Bangladesh has achieved tremendous success by narrowing down the gender inequality in workplaces and has earned good reputation in every sector for creating scopes for its women to participate in the workforce. Businesses are being reshaped and revamped due to women's involvement in F-commerce. According to the World Economic Forum index, Bangladesh is leading the entire Asian region in terms of female workforce participation. 18% of board seats in Bangladesh are held by female directors, which is higher than other countries in the South Asia region. Bangladesh also tops its neighbors in the latest World Economic Forum's Global Gender Gap

Index, ranking 50th among 153 countries. However, a recent IFC study showed that in Bangladesh, only 5% of all independent directors of 294 companies listed on the DSE, are women.

Among various reasons, the progenitive role of women constrains them to choose between motherhood and their career. Multiple obstacles remain unchanged for women both in law and in culture. Still now, in the developed parts of the world, women are undervalued. That is why, female employees' career becomes stagnant in the mid-level. The principles of valuing female in the workplace is indispensable in order to bring out their inner potential. Many research and survey conducted internationally suggests that opportunities should be made available so that the female employees do not feel discriminated and get the opportunity to perform symmetrically alongside male employees. Every working sector should realize the impact of the role of women and work on it so that from academics to corporates, medical to business, more women can shine bright.

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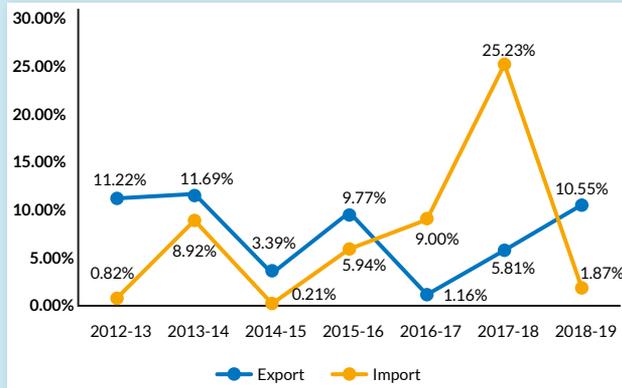
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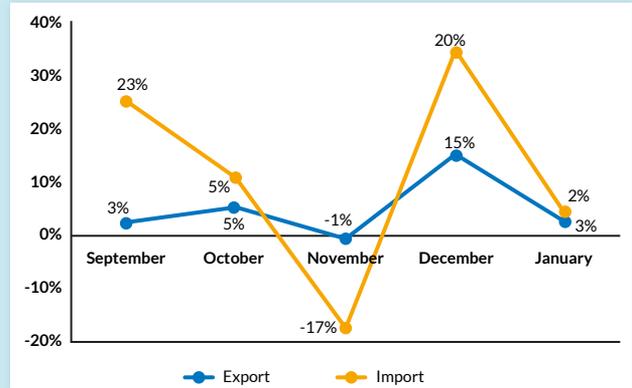
ECONOMY AT A GLANCE

EXPORT-IMPORT

Growth in Export-Import Trade (Last 7 Years)

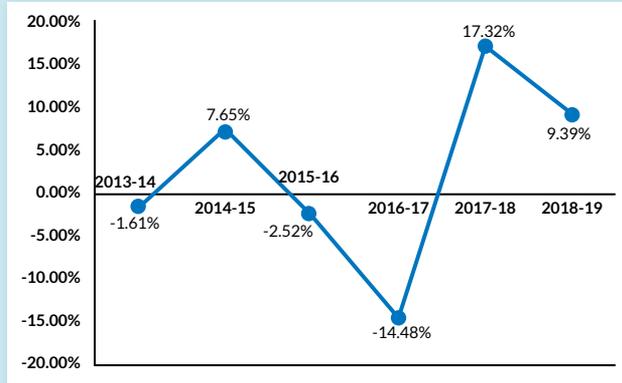


Export-Import Monthwise Growth- 2019-20

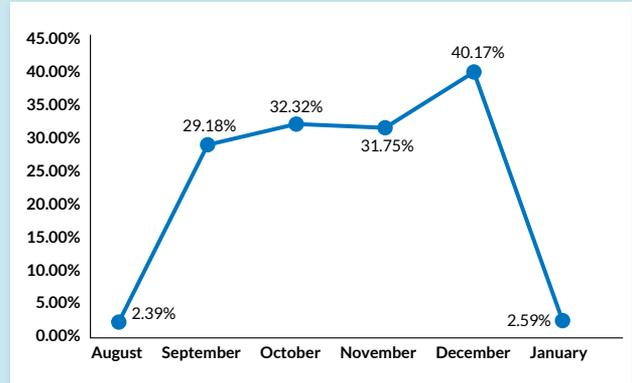


REMITTANCE

Remittance Growth of Last 6 years

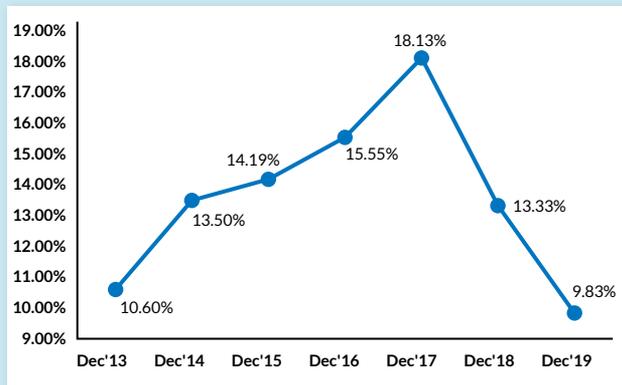


Remittance Growth-2019-20 (Y-O-Y)

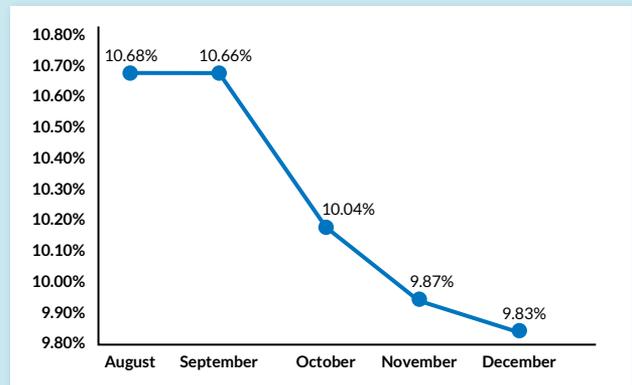


PRIVATE SECTOR CREDIT GROWTH

Private Credit Growth of last 7 years



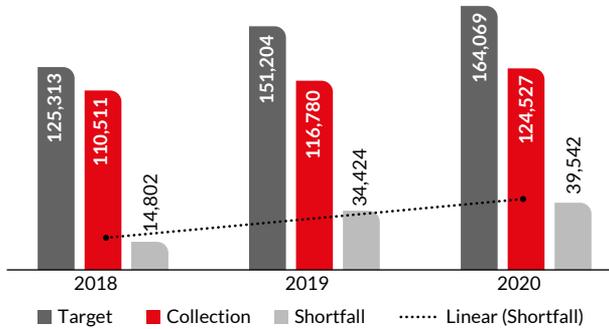
Private sector credit growth -2019



MONTH IN BRIEF

● Revenue shortfall continuous to increase

Expectation Vs. Reality BDT in Cr.



● The country received \$1.63 billion remittance in January this year, down by 2.88% from the previous month.

● Apparel exports to the US in last year grew by 9.83% to \$5.93 billion from \$5.40 billion in the year 2018, according to data of the Office of Textiles and Apparel under the US Department of Commerce.

● **The Bangladesh Bank issued a circular allowing the banks to invest BDT 200 Cr. each in stocks which will not be calculated with the regulatory limit of 25% of their capital.**

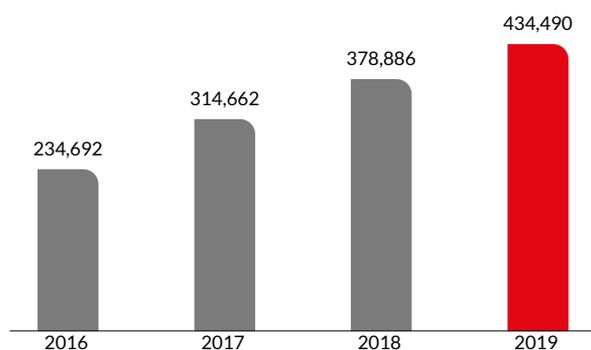
● **Non-performing loans (NPLs) in the industrial sector soared by 14.51% year-on-year to Tk45,127.29 crore at the end of December last year due to mainly willful defaulters.**

● **Norway's sovereign wealth fund (SWF), the world's biggest fund, raised stakes in the Bangladesh's capital market for the fourth consecutive year in 2019.**

● **The Bangladesh Securities and Exchange Commission (BSEC) approved a non-convertible zero-coupon bond of Tk 300 crore in favour of The City Bank Ltd. with a tenure of three years.**

● Mobile financial services appear to be faltering.

Transaction over the years (BDT in crores)



● The government approved four projects costing Tk 9,454 crore for facilitating transit of goods from India, Bhutan and Nepal, setting up internal business hubs and attracting foreign investment.

● Bashundhara Group launched the country's first-ever bitumen production plant, with an annual production capacity of 8.5 lakh tonnes of bitumen and asphalt.

“WE WILL NEGOTIATE IN THE WTO TO CONTINUE WITH THE TRADE BENEFITS IN THE TRANSITION PERIOD OF FIVE TO TEN YEARS”

Mohammad Mahbubur Rahman Patwary, Director (Deputy Secretary) of the WTO Cell under the Ministry of Commerce (MoC) on Bangladesh Govt. to start negotiation soon to retain trade benefits

“The measure will eliminate bottlenecks and enable us to get VAT”

Syed Mushfequr Rahman, Director General of the VAT Intelligence Wing, on Online VAT registration by social media giants.

“When private investment in the country will be lined up, I think economy will grow at the targeted rate or even more than that”

Prof. Dr. Shamsul Alam, Sr. Secretary & GED Member, on economic growth target.

“Remittance has become the lifeline of the economy given the frustrating performance of all other economic indicators”

Dr. Ahsan H Mansur, Executive Director of Policy Research Institute of Bangladesh, on remittance as a strong economic factor.

“THE ‘BANK COMPANY ACT’ AND THE ‘DEPOSIT INSURANCE ACT’ ENSURE THE SECURITY OF DEPOSITORS. IF THE NEW LAW IS MADE EFFECTIVE, THE DEPOSITORS OF THE FINANCIAL INSTITUTIONS AND THE SCHEDULED BANKS WILL BE MORE SECURE”

Md. Serajul Islam, Executive Director, Bangladesh Bank on ‘Deposit Protection Act, 2020’

“WE’VE RAISED THE ISSUE OF LOW INTEREST RATE ON DEPOSITS IN THE MEETING WITH THE GOVERNOR OF THE CENTRAL BANK OF BANGLADESH”

Ali Reza Iftekhar, Chairman of the Association of Bankers, Bangladesh Limited (ABB) regarding 6% deposit rate.

WORLD ECONOMIC INDICATOR

Country	GDP size (USD in million)	Gross Domestic Product (Yearly % Change)	Inflation (%)	Inflation (%) As of	Current Account Balance (% of GDP 2019)	Interest Rates (%), Ten years treasury bond	Currency Units (per USD)
Frontier Market							
Sri Lanka	86.57	2.70	6.20	Feb, 2020	-2.60	10.44	184.25
Vietnam	261.64	6.50	5.40	Feb, 2020	2.20	2.40	23,208.00
Kenya	98.61	5.60	6.37	Feb, 2020	-4.70	12.67	102.80
Nigeria	446.54	2.30	12.13	Jan, 2020	-0.20	10.81	306.00
Bangladesh	302.50	8.15	5.46	Feb, 2020	-1.60	9.40	84.95
Emerging Markets							
Brazil	1847.02	0.90	4.00	Feb, 2020	-1.20	7.96	4.86
Saudi Arabia	779.29	0.20	0.40	Jan, 2020	4.40	n/a	3.75
India	2935.57	6.10	6.58	Feb, 2020	-2.00	6.32	73.84
Indonesia	1111.71	5.00	2.98	Feb, 2020	-2.90	7.40	14,770.00
Malaysia	365.30	4.50	1.60	Jan, 2020	3.10	3.05	4.28
Philippines	356.81	5.70	2.60	Feb, 2020	-2.00	4.88	51.03
Turkey	743.71	0.20	12.37	Feb, 2020	-0.60	11.98	6.33
Thailand	529.18	2.90	0.74	Feb, 2020	6.00	1.31	31.82
China	14140.16	6.10	5.20	Feb, 2020	1.00	2.71	6.99
Russia	1637.89	1.10	2.30	Feb, 2020	5.70	7.80	72.61
Developed Markets							
France	2707.07	1.20	1.40	Feb, 2020	-0.50	0.00	0.90
Germany	3863.34	0.50	1.70	Feb, 2020	7.00	-0.55	0.90
Italy	1988.64	0.00	0.39	Feb, 2020	2.90	1.76	0.90
Spain	1397.87	2.20	0.70	Feb, 2020	0.90	0.62	0.90
Hong Kong	372.99	0.30	1.40	Jan, 2020	5.50	0.93	7.77
Singapore	362.82	0.50	0.80	Jan, 2020	16.50	1.48	1.42
United States	21439.45	2.40	2.30	Feb, 2020	-2.50	0.98	n/a
Denmark	347.18	1.70	0.80	Feb, 2020	5.50	-0.34	6.73
Netherlands	902.36	1.80	1.60	Feb, 2020	9.80	-0.31	0.90
Australia	1376.26	1.70	1.80	Q4, 2019	-0.30	1.09	1.62
Switzerland	715.36	0.80	0.10	Feb, 2020	9.60	-0.51	0.95
Britain	2743.59	1.20	1.80	Jan, 2020	-3.50	0.42	0.81

Bangladesh data:

GDP size, GDP, Current Account Balance and Inflation are sourced from Bangladesh Bureau of Statistics
Interest rate (%) 10 years TB and Currency Unit (per USD) are sourced from Bangladesh Bank

GDP Size, GDP Growth and Current Account Balance:

Data of all countries apart from Bangladesh is sourced from IMF estimates of 2019 data (October, 2019 Outlook)

Inflation (%):

Data of all countries apart from Bangladesh is sourced from tradingeconomics.com

Interest rates(%) 10 years TB and Currency Unit (per USD) :

Data of all countries apart from Bangladesh is sourced from investing.com as per 15th March,2020

10 STEPS TO CREATING A DATA-DRIVEN CULTURE

Nowadays, the ability to understand data and identify opportunities leads to long-term success. Large amounts of data have incredibly valuable potential to contribute to the progress of fact-based innovation in corporations. It is vital to establish a data-driven culture within a company as it backs up new ideas with solid evidence which helps to optimize the decision-making process. Large amounts of data are invested in technologies and hence employees from different corporations are empowered with skills and productivity tools required for data analysis. However, many companies find it difficult to implement a data-driven culture and the main problems in creating data-based businesses aren't technical but they are cultural. This means, it is hard to bring a series of changes in the use of resources and in the mindset of employees of an enterprise so that they can make better decisions with data. Some of the steps that can be recommended to help create and sustain a data-driven culture are:

- **Data-driven culture starts with the top management.** Companies with top managers should set an expectation that decisions must be made based on the relative data so that they can take evidence-based actions. These practices will spread across the company. As the employees communicate with senior leaders and follow their terms and language, this will lead to substantial shifts in company-wide norms.
- **Leader should choose metrics with care.** The top managers should choose wisely what metrics they should expect their employees to use. Through the consumption of data they can create detailed metrics on customers' experiences which will help to assess consumer impact on network upgrades.
- **Fix basic data-access issues quickly.** People often struggle to find access to even the most basic data. Thus, to overcome this problem, top firms may grant universal access to just a few key measures at a time by implementing slow programs in order to reorganize all their data. It is important to remove any boundaries between the business leaders and the data. They should also pull the business towards data science as the employees are code-literate and fluent in quantitative topics.
- **Don't pigeonhole your data scientists.** Data scientists are often isolated within a company. Hence they have very little connection with the business leaders whereas analytics can't survive or provide value if it operates separately from the rest of a business.
- **Quantify uncertainty.** Although absolute certainty is impossible but teams are required to be clear and quantitative about their levels of uncertainty. Firstly, it forces decision makers to struggle with potential

sources of uncertainty to find out whether the data is reliable. Secondly, in order to evaluate uncertainty analysts need to have proper understanding of their model and finally this understanding of uncertainty pushes organizations to run several experiments.

- **Make proofs of concept simple and robust, not fancy and brittle.** It is important to plot proofs of concept so that they can gain the ability to work successfully in production. A firm should build something that will eventually reach the level of sophistication. A data driven company should initially start by implementing an extremely basic process with a small dataset flowing correctly from source systems and through a simple model which is then transmitted to end users. This will gradually lead to greater volumes, more exotic models, and better runtime performance.
- **Specialized training should be offered just in time.** Fundamental training should involve basic skills, such as coding and it is more effective to train staff in specialized analytical concepts and tooling just in time.
- **Use analytics to help employees, not just customers.** By empowering employees to take charge of the data themselves can help to keep employees happy and motivated. The idea of learning new skills to better handle data will directly benefit them by saving time, helping avoid rework, or fetching frequently-needed information.
- **Be willing to trade flexibility for consistency at least in the short term.** Different companies may have their own preferred sources of information, metrics, and programming languages but this creates inconsistencies across the organization. It is important for the companies to spend hours trying to make a version of a metric that could be used universally. If coding standards and languages vary across a business, more retraining will be required making it hard for analytical talent to circulate.
- **Get in the habit of explaining analytical choices.** Analytical problems rarely have a single, correct approach which is why it is better to consult the team regarding how to approach a problem, what alternatives they can consider and why they chose a specific approach. This will help to acquire deeper understanding of the approaches, enhance the habit of explaining the analytical choices and prompts them to rethink fundamental assumptions.



ABOUT THE RESEARCH

"10 Steps to Creating a Data-Driven Culture" – is a Harvard Business Review article by David Waller on how to make an organization more data driven.

BRACING FOR CONSOLIDATION IN ASIA-PACIFIC BANKING: THE QUEST FOR SCALE

RESEARCH IN FOCUS

Asia's banks must reinvent themselves to develop from a period of potential consolidation.

In 2016 review of Asia-Pacific banking, a storm brew because of slowing macroeconomic growth and weakening balance sheets. After three years, these forces continue to exert pressure on the region's banks. The combination of low growth, thinning margins, possible higher risk costs, and the need for scale efficiencies point to potential consolidation.

Growth is tapering in the world's largest regional-banking market

Two ways to look at Asia-Pacific banking are: it appears to be strong and growing and closer scrutiny reveals a sobering situation.

Tapering growth is a sign of a weakening environment for Asia-Pacific banking. The region's banks enjoyed annual growth from 2010 to 2014. But from 2014 to 2018, annual revenue growth slowed to 5 percent, and growth in profit pools slowed to 3 percent. While there was a slight recovery in banking profit pools in certain markets from 2017 to 2018, the longer trend of slowing GDP growth in China and India, the Asia-Pacific region's two largest emerging economies, has weakened economic expansion for the entire region and dampened demand for banking services.

Non performing loans are still rising

Several signals indicate that weak industry performance is not simply a reflection of the slow macroeconomic cycle but is also a result of noteworthy changes in the market. The average risk-cost provision for the Asia-Pacific market was approximately 0.30 percent in 2018 which is the highest level of loan losses for the region since 2002.

Nonperforming-loan (NPL) ratios in Indonesia, Thailand, and Vietnam are especially high but pale in comparison with the crisis in India, where NPLs accounted for 11.7 percent of loans in 2018.

Decline in returns on equity continues

Over the past decade, the rebalancing from West to East, as growth in the Asia-Pacific region has driven global economic growth and generated huge returns. Now the combination of slower

growth with rising risk and capital costs in emerging economies is creating a new equilibrium, as seen in the convergence of Asia-Pacific banking returns with global averages. The average ROE for Asia-Pacific banking decreased from 12.4 percent in 2010 to 10.1 percent in 2018. The average ROE for global banking was 9.5 percent in 2018.

Improvements in cost efficiency help, but banks can do better

While many banks have improved efficiency through infrastructure improvements and extensive digitization, these actions have not been sufficient to reverse the general decline in ROE. In some markets, including China and Japan, the biggest factor behind stronger cost-to-asset ratios has been the expansion of lending volumes. As volume growth slows, however, it will become increasingly important to leverage state-of-the-art capabilities in areas such as digitization, robotics, and other areas. Not only has volume growth driven the improvement in productivity measures in several markets, it is also the main source of growth in bank profits throughout all Asia-Pacific markets.

Future outlook

The Asia-Pacific region has entered a new phase in which growth will be much slower than in recent memory, and the potential for protracted slow growth in China could weaken the region's growth even further. In addition to macroeconomic headwinds, banks also face increased competition with the gradual adoption of open-banking standards, and they will likely continue to struggle with declining returns.

Growth is slower in China

Many Asia-Pacific markets have common dependence on trade with China. This trade accounts for 7 percent of South Korea's economic output, 14 percent of Malaysia's GDP, and 35

ABOUT THE RESEARCH

'Bracing for consolidation in Asia-Pacific banking: The quest for scale'- is a mckinsey.com report on consolidation of Banks in the Asia-pacific region. .

percent of Vietnam's GDP. The tapering of China's real GDP growth, from 7.9 percent in 2012 to 6.7 percent in 2018, will contribute to weakening the demand for banking services across the region. A stronger emphasis on domestic trade within China could mitigate the negative impact of trade tariffs on the country's growth.

The rapid expansion of China's real-estate sector is another threat to the stability of the Chinese banking system and ripple across the region. The Chinese government's efforts to reduce the role of shadow banking are expected to yield systemic benefits over the long term.

Trend is toward open banking

Aiming to speed up innovation and modernization through competition, regulators across the Asia-Pacific region are gradually opening up banking systems to broader participation. India now allows nonbank payment-services providers to connect directly to its new infrastructure, the United Payments Interface, and Australia has also mandated that its four largest banks adopt open-banking standards for a broad range of transactions.

Decline in returns on equity will continue unless banks or investors take action

If regulators maintain a cautious posture toward nonbank innovators during a period of weak growth, Asia-Pacific banking ROE could decline to 9.8 percent by 2022. However, if low-cost, digital-first banks can build scale rapidly and take significant market share from incumbents, ROE could drop to 7.0 percent in 2022.

A rigorous, industry-wide effort to optimize operation, risk, and capital costs could reverse the decline in returns, potentially pushing industry ROE for the Asia-Pacific region up to 12.1 percent by 2022. More than 60 percent of Asia-Pacific banks have ROEs below the cost of equity. Banks that fail to improve productivity, optimize capital consumption, and revitalize revenue growth may see their ROEs drop below the cost of capital, leading, in turn, to efforts to restructure portfolios or seek a merger partner.

Wide variation in capital levels suggests inefficient allocation

On a brighter note, banks' capital levels are generally adequate across the Asia-Pacific region. The average Tier 1 capital ratio for Asia-Pacific markets has risen from approximately 11.2 percent

in 2010 to approximately 12.8 percent in 2018. The timing and level of Basel III implementation are still not clear for many markets.

While Asia-Pacific banking may have a strong reserve of capital as an industry, many banks are not putting it to good use. The average return on risk-weighted assets (RORWA) across the region was 1.5 percent in 2018, but profitability varied widely. For example, banks in Australia, Hong Kong, and Indonesia earned more than 2.5 percent RORWA in 2018.

Scale matters more than ever

Asia-Pacific banks with greater scale have typically generated higher returns. Across selected Asia-Pacific markets, there is a wide difference in the ROEs of the largest and smallest banks, ranging from 140 basis points to 700 basis points. The wide dispersion in ROE shows that scale really does matter. For example, in Australia, the four largest banks handle practically all mortgage lending, which not only represents a large share of total bank assets in the country but also has become even more profitable with the adoption of high-powered credit-underwriting models.

In certain Asia-Pacific markets, new regulations that aim for higher efficiency, stronger risk management, and better choices for customers, and capital controls have an indirect impact on consolidation.

Consolidation on the horizon

The combination of slowing growth and increasing competition creates a perfect explosion in which Asia-Pacific banks will be severely challenged to reverse the decline in ROE. A number of developments, such as a distressed bank seeking a merger could push the industry toward a new investment structure.

Compared to the US market and various European markets, some Asia-Pacific banking markets are already consolidated to even in highly consolidated markets, however, there is room for efficient and well-capitalized organizations to strengthen market leadership through M&A. The situation will be different across markets, with some markets moving faster toward consolidation.

The Asia-Pacific region is a tough environment for banks. It is going to get tougher as slowing growth, rising NPLs and eroding margins continue pushing ROEs downward. Bracing for consolidation will get banks in shape to forge ahead through the storm.

WOMEN AT WORK

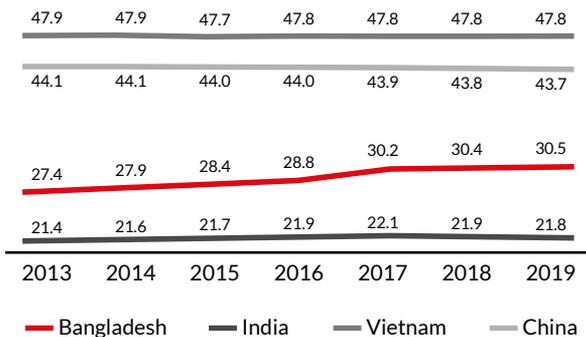
EMPOWERING COUNTRY'S ECONOMY
AMONGST NUMEROUS CHALLENGES



Ensuring economic empowerment of women is a requisite for any country aspiring to increase economic diversification, income equality and most importantly productivity. As the UN Women strongly states “**When more women work, economies grow**” and as a matter of fact the statement is true for any economy, including the developed ones too. For instance, Women in work index 2019 by PricewaterhouseCoopers (PWC) shows that increasing the number of women in work can increase GDP across the OECD (The Organization for Economic Co-operation and Development) countries by over US\$6 trillion.

UN Women also states that over 2.7 billion women are legally restricted from having the same choice of jobs as men. Of 189 economies assessed in 2018, 104 economies still have laws preventing women from doing specific jobs, 59 economies have no law on sexual harassment in the workplace, and in 18 economies, husbands can legally prevent their wives from working. The labour force participation rate for women aged 25-54 is 63% compared to 94% for men. When younger (aged 15 years and up) and older women (aged 55 and up) are included in the dataset, the global labour force participation rate is even lower at 48.5% and 26.5% respectively than that of men. In 2017, global unemployment rates for men and women stood at 5.5% and 6.2% respectively. This is projected to remain relatively unchanged during the period from 2018 to 2021.

Labor force, female (% of total labor force)

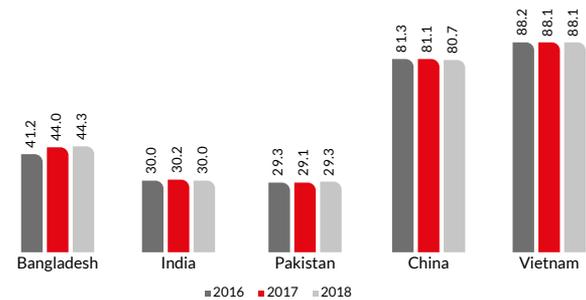


Source: World Bank

In spite of a lower number of women in overall job force as compared to male counterparts, a slow but steady improvement of the situation is widely visible. For example, according to International

Labour Organization’s (ILO) flagship report, “World Employment and Social Outlook: Trends 2019”, the gender pay gap remains negative for Bangladesh in one of their factor-weighted statistical approaches. However, there are still some challenges which are holding our women back and these challenges differ from sector to sector.

Ratio of female to male labor force participation rate (%) (modeled ILO estimate)



Source: World Bank

Women in RMG and Textile Industry

Economic globalization has created greater employment opportunities for those women who are from the most disadvantaged sector of the society. The RMG sector has opened up the door for women to lead a better life by enhancing their power to earn. The ready-made-garments (RMG) sector in Bangladesh has rapidly expanded due to the increased supply of cheap and readily available female labor. Moreover, their hard work has helped the RMG sector in Bangladesh to be the highest export earner of the country.

However, in the recent years participation of female workers in ready-made garments sector of Bangladesh has been decreasing. It has been reported by Prothom Alo in September 2019 that as per two separate surveys conducted by Bangladesh Bureau of Statistics (BBS), the number of female workers in readymade garments (RMG) sector has declined by 10.68% within the last four years even though the number of factories and workers are on a rise. The latest BBS survey says 53.82% male workers occupy jobs in the sector while the number of female workers is only 46.18%. According to the survey conducted by Centre for Policy Dialogue (CPD) the decline in the number female workers has been resulted from the automation of manufacturing processes.

Seven primary drivers of women's economic empowerment



Source: UN Women

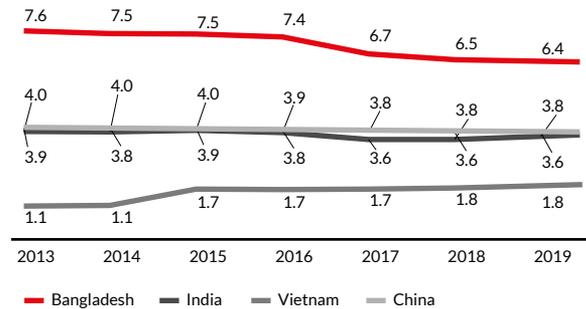
Moreover, women are lagging behind in this sector because of the lack of training facilities, required skills and proper knowledge of technology. The use of modern machines has increased in the textile industry and hence the tasks that were being done by the women are now being done by the machines. Due to this technological advancement in the RMG sector, more advanced machineries and equipment are being used. These instruments can be better handled, operated or performed by the male workers than the female workers. Besides, male workers are taking more

interests in the sector due to the constant increase in the wages. The works in the (RMG) sector tend to have a very labor-intensive nature which is why it is getting difficult for the women to get involved in this sector and as a result, many of them are quitting their jobs as they need to spend time taking care of their children and family. Therefore, certain measures, such as improving the skills of women by providing better training and reducing the social inequalities, can help to encourage greater participation of women in the RMG sector.



Women in F-commerce

Unemployment, female (% of female labor force) (modeled ILO estimate)



Source: World Bank

F-commerce has been successful in changing the lives of many women beyond expectation by giving them the opportunity to create self-employment and boost confidence by conducting their businesses through several social media platforms such as Facebook. F-commerce is now a booming sector for women entrepreneurs in Bangladesh because besides running their business, it allows women to work from their homes, saves time as they don't have the hassle of travelling, enables them to balance their daily chores and look after their families. Moreover, it helps women to overcome some cultural barriers related to the limited mobility, safety and security issues that adversely affect their labor force participation in various working sectors of the country. F-commerce has led to a significant rise in the level of earning and spending by the women. Thus, boosting the economy through such business ventures that are mostly run by the women. Through F-commerce, talented women are able to utilize their creative mind and at the same time, enrich the creative work field. A large number of women are involved in F-commerce and hence numerous Facebook groups are designed to facilitate both women buyers and sellers. Women in this field are taking help from each other, regarding meeting the queries, customer service and delivery service etc. The F-commerce industry is female-dominated making the presence of women in the business sector noteworthy. Since more females are involved here, women find it easier to seek help and advice from various support platforms that are also consisted of women. F-commerce has enabled women not only to earn money but also to create employment for other people. Starting with opening a facebook page, then getting the trade license and opening a physical store have led women to create employment opportunities for a large number of people. This whole process has become an ecosystem which is creating employment opportunities not only for the women but also for the entire industry

of delivery or courier services. Delivery service is an essential part of F-commerce. Therefore, the rise of F-commerce has a positive impact on reshaping many businesses. Hence, it is vital to ensure that increasing number of women entrepreneurs are able to reach their full potential and fully contribute to the economy through their online businesses if the country wants to achieve a gross domestic product (GDP) growth of 8%.

Women in Financial Sector of Bangladesh

The number of women working in the financial sector of Bangladesh has accelerated throughout the past few decades. Lately, Bangladesh has achieved tremendous success by narrowing down the gender inequality in workplaces and has earned a good reputation in every sector for creating scopes for its women to participate in the workforce. Primarily, the country's banking sector is providing women with a large number of job opportunities and these women are playing a big role in contributing to the growth of this sector.

Women's participation in commercial banks has increased to a great extent. According to the Bangladesh Bank (BB) July-December, 2018 report, female employees are now 63% in private banks, 27% in state-owned banks, 6.0% in state-owned specialized banks and 6.0% in foreign banks. Of the women, around 15,767 are in private banks, 6,843 are in state-owned banks, 907 in foreign banks and the remaining 1,474 are in specialized state-owned banks.

The Convention on Elimination of All Forms of Discrimination against Women (CEDAW), adopted in 1979 by the UN General Assembly, is working hard worldwide to establish women's rights, eliminate discrimination and ensure women empowerment which will eventually help the developing countries to achieve the status of developed country. Bangladesh is encouraging more women participation in its corporate and banking industry and having women employees will certainly help the country to be more competitive and improve its image globally. Apart from the banking industry, many other companies of Bangladesh are interested in bringing gender diversity into the workplace and as a consequence. Many women are getting the opportunity to reach the top leadership positions of reputed organizations. However, the number of females in top leadership position is still not substantial but is expected to increase in the near future.

In Bangladesh the financial sector has always been considered as the best place for women to work in, especially in entry positions. However, the women employment rate in Bangladesh banking sector went

down to 12.23% in 2018 from 13.73% in 2016. The ratio of female executives occupying higher ranks in the sector is also negligible, according to a study by Bangladesh Institute of Bank Management (BIBM).

This could be due to their reproductive role, many women are forced to choose between motherhood and career. A large number of promising young university graduates enter the job market but gradually their enthusiasm towards the work starts to decline due to family responsibilities. This mid-way drop-out of female employees reduces the number of potential women in senior positions.

Women in global financial sector

Although globalization has created employment for millions of women all over the world, the number of women in the workforce is far less than that of men. The existence of gender inequalities in many countries results in little or no access to decent work and lack of social protection. Women represent half the world's potential; working-age population in the global workforce comprise of 49.6% women. The economics make sense too: if women played an identical role in labour markets to that of men, as much as USD 28 trillion, or 26% could be added to the global annual Gross Domestic Product by 2025.

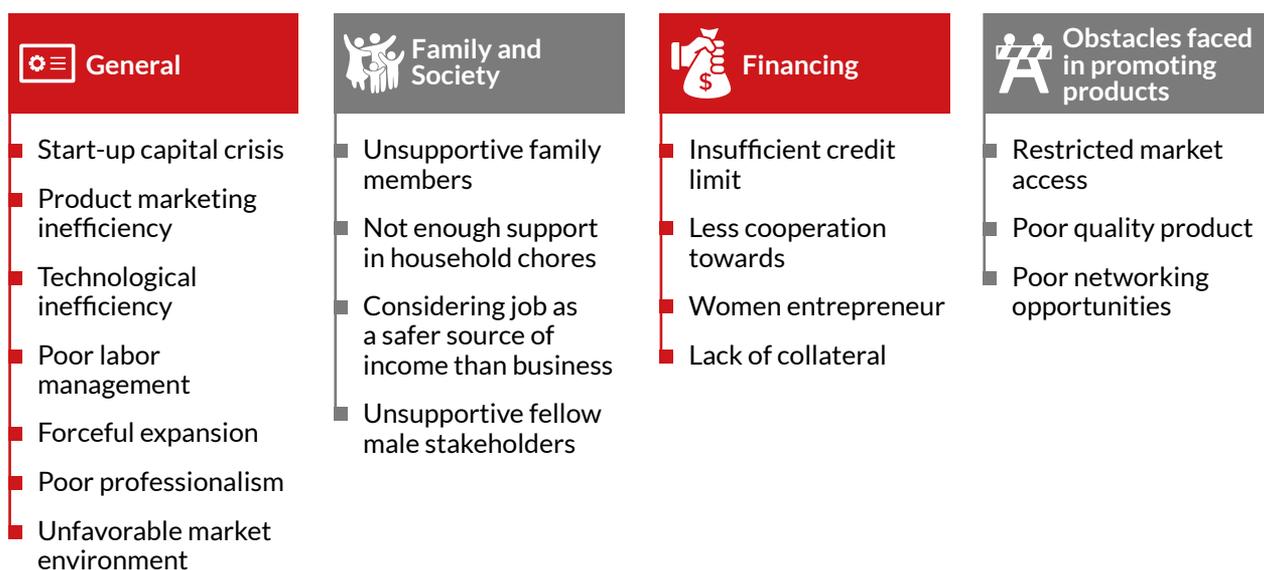
Financial Institutions (FI) all around the world have been employing women for decades. However, company leadership around the world remains unbalanced, with women accounting for less than a quarter of management positions globally. The disparity is even greater when it comes to higher-level management

positions. Women are far more likely than men to leave the industry or to reduce their level of ambition just at the point in their careers when they need to make the effort to push on to the top.

Women as Micro- entrepreneur

One of the most effective ways to increase the participation of women in economic activity is through entrepreneurship. In fact, it can be a key contributor to both household income and economic growth. According to the recent World Bank report, close to 99% of non-farm enterprises in the country are MSMEs. In 2013, they created over 20 million jobs for Bangladeshi workers. On the other hand, a 2016 study by the International Finance Corporation (IFC) found out that of the almost 8 million businesses in Bangladesh, 99.93% are cottage or micro, small and medium enterprises (MSMEs) and a mere 7.2 % of businesses are owned by women. The study also includes the presence of women is significantly low in wholesale and retail trade (excluding textiles). However, generally Women are more likely to take a long-term view of their businesses, reinvest their business profits into their firms and carefully manage risks to scale sustainably. Thus, women-owned businesses are an underutilized resource for sustainable economic growth and job creation. On her way to become an entrepreneur and as an entrepreneur a woman faces various socio-cultural and legal barriers which justifies the insignificant participation of women in the small or micro sector.

Obstacles that an women micro entrepreneur faces:



KEY POINTS

- Female workers in readymade garments (RMG) sector has declined by **10.68%**
- Women employment rate in Bangladesh banking sector went down to **12.23%** in 2018 from **13.73%** in 2016
- **104** economies still have laws preventing women from doing specific jobs
- Increasing the number of women in work could increase GDP across the OECD countries by over **US\$6 trillion**
- In Bangladesh only **16%** of total ICT workforce are women

However, although almost every sector is taking initiatives and working on ensuring a bold presence of women in this sector but there are still some escapes or negligence which need to be mitigated.

Mitigating gaps between policy and practice

New policies are established every now and then for the women entrepreneurs but their proper implementation is still not ensured. Some commercial banks ask for collateral from women entrepreneurs even for a lower loan amount which is contradictory to the regulation of the Bangladesh Bank. Many banks also ask for guarantee from a male member of the family and sometimes a woman entrepreneur fails to get loans if her husband is a loan defaulter.

Policy enhancement

The policies should be such that it enhances the abilities of women and encourage them to become successful entrepreneurs. Such policies may include, adequate amount of credit facilities, skill training with women instructors like for driving or computer training etc. Credit facilities should be more gender friendly, SMEF can organize more training sessions on basic and advance entrepreneurship development, business and account management, etc. to increase their knowledge. In the long run, we have to put emphasis

on technical education same as general education for creating sustainable job opportunities as well as entrepreneurship among women.

Support from government and NGOs

Women's access and utilization of skill- training provisions offered by various ministries and NGOs are low since most of them are based in urban areas. Regulatory bodies and non-governmental organizations (NGOs) have enacted strategies to enable more women to enter into the marketplace. The Government of Bangladesh has undertaken several initiatives targeted at women entrepreneurs, including the "Gender Action Plan (GAP)" by the Small & Medium Enterprise (SME) Foundation, which seeks to advance the economic empowerment of women in SMEs by strengthening their managerial and technical capacity and ability to access credit.

Making the best use of digital tech

Technology is providing tools to tackle gender inequality and empower women. Bangladesh, as it embraces digitization, can use digital technology as a pathway to promote women entrepreneurs.

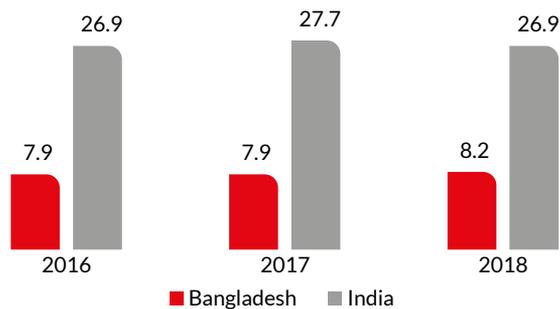
- **Loans through mobile apps:** Offering loans by using mobile phones is an intervention that can reduce excessive bureaucracy in accessing loans and increase access to finance.
- **Digitized product ordering service:** Movement and safety are among the biggest challenges for a woman entrepreneur. A digital ordering service can reduce travel time for women to pick up goods for their business.
- **Capacity building in digital technology:** Technical training empowers women to use digital services targeted to their needs, including digital financial services.

Women in ICT:

In the era of digital transformation, Information and Communications Technology (ICT) has a tremendous contribution to the socio-economic development. ICT has been successful in creating opportunities for direct, interactive communication by women. ICT has direct influence especially on women as it has increased women's access to the job Market and improved their scope of entrepreneurship. Involvement of women in ICT significantly strengthens their social and economic empowerment. In the past women were only considered

for household work but in today's Bangladesh with the advent of ICT, this conservative outlook about women is diminishing gradually. Gone are those days when it had been speculated that how women can participate in ICT. As fourth industrial revolutions transforms the world and Bangladesh progresses very fast in almost all dimensions, the question now is how much more rapid this transformation can be with equal participation of women in ICT.

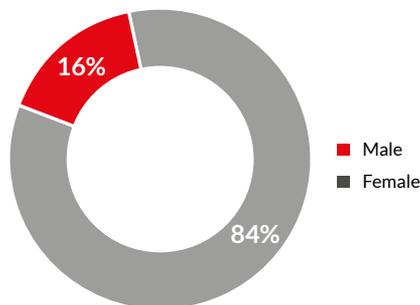
Female share of graduates from Science, Technology, Engineering and Mathematics (STEM) programmes, tertiary (%)



Source: World Bank

IT and IETS Industry overview 2019 reveal the total local market revenue of IT-ITES industry that covered three areas-software, Business Process Outsourcing (BPO) and e-Commerce-has increased to Taka 1,927 crore in 2018 against Taka 1,397 crore in 2013 showing an increase of Taka 530 crore. With constant motivation from the government, there is no doubt that in future ICT (Information and Communications Technology) Sector of Bangladesh will flourish. In fact, in the battle of unemployment, the growth in the ICT sector can be a strong weapon as this industry does not only require entrepreneurs but also skilled employees. Now, the question may arise, what is holding Bangladeshi women to grab such as opportunity? 'Survey on ICT job market in Bangladesh 2018' conducted by Daffodil International University revealed, of the total ICT workforce in Bangladesh, only 16% are women.

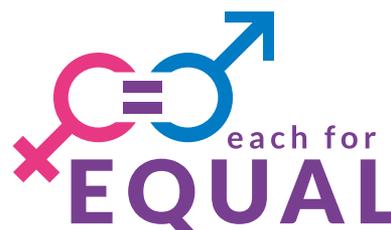
ICT Workforce in Bangladesh



Source: Daffodil International University

The information and communications technology (ICT) industry in Bangladesh is thriving and is offering both well paid and highly skilled jobs. But the future success of the sector depends largely on the ability of attracting both visionary entrepreneurs and qualified employees. Despite these challenges, the industry appears to ignore half of the available brains and the growth potential of a key resource base: women. While the figures of women in the global ICT workforce look apparently quite acceptable, however, 30% of women who do work in the ICT sector, only a small proportion are in the formal ICT sector, indicating that many women are losing out on equal pay, social rights and protection, and promotion possibilities to raise themselves and their children and families out of poverty. In South Africa for example, 51% of those working in the ICT sector are women but only 22% are employed in formal jobs. Freelancing is the simplest and easiest way of earning for women. Utilizing the information and communication technology (ICT), women can work from home and sometimes can earn more than a full time job. Online business is another good scope especially for women. The biggest barrier faced by women in order to flourish using ICT is the lack of knowledge, lack of proper training and insufficient channels by which they can approach to using ICT.

In Bangladesh, women are increasingly encouraged to take initiatives to participate in ICT and improve their proficiency in this field of ICT. Moreover, government has taken certain steps to bring women into the limelight as the inclusion of women is key to advancing society. The government has emphasized ICT training, which offers scholarships and job opportunity for women. Hence, more women are increasingly employed in various knowledge based industries such as computer-aided designing, graphic designing etc. ICT is not only creating employment for women but also creating a chance for them to emerge as entrepreneurs especially in SME. Therefore women entrepreneurs in other sectors are also enhancing knowledge on ICT and as a result they are gaining from distinct competency.



নিজের বাড়ি মানে
স্বপ্ন আঁকার ক্যানভাস
আইডিএলসি হোম লোন





Among the top names in the field of advertising, FCB Bitopi is undoubtedly a celebrated one, headed by Sarah Ali, who has started her career as an account executive and climbed her ladder to becoming Managing Director of this very organization. She has been a role model for women not only in the advertising sector but also for those who aspire to conquer the top positions of corporates. MBR had an opportunity to have a one-on-one conversation with her.

Sarah Ali
Managing Director, FCB Bitopi

MBR: Please tell us about your journey from the beginning till becoming the Managing Director of FCB Bitopi.

Sarah Ali: I finished my education in America and then I came back to work here. My father was actively involved in advertising at that time so I wanted to get into the business while he was still working full-time. So I started in 2001 as an account executive. I grew through the ranks and I became the managing director in 2008. Since then I have been looking after the agency and that's how my journey started.

MBR: Why does the advertising sector fascinate you? Was the sector women friendly when you started your career?

Sarah Ali: Advertising sector is a really fun sector to me because I don't think it's fully corporate. It fits somewhere between corporate and creative and it's also a place or a line of work where you really can't work alone so you have to work in groups or you have to work in a team to come up with ideas or stories that we can create for brands. There is a lot of fun aspect to it as you actually bring life into a brand, nurture it and constantly work on it to make it grow and stay relevant to people.

Advertising industry is a new change in our country, so it's not easy to attract women into this sector. We also have very late working hours which make it difficult for women. I have seen that as women graduate and get into advertising, they do the job for a couple of years and then once they get married or start a family, they move out of advertising because they need to give more time to their family or sometimes because of family pressure. So it's still difficult to get women into advertising and for the same reason we don't get enough women on the creative side of the business. In my creative team, we have two people who are women and also we have noticed that not too many women even apply in the creative side, even though I believe women have greater sensitivity and empathy and can actually bring in a lot of their natural creative strengths into the job.



MBR: Being a woman what obstacles and disadvantages did you face to reach the top position?

Sarah Ali: I had an advantage over here. I started working here at the bottom but I grew up in my position. So, if my father didn't feel that I was capable of this position, he wouldn't have given me this role. In that case, my growth wasn't stopped but I think the obstacles that are there, are probably the societal conditioning that women have. It's just that we have this conditioning that our first responsibility is at home. Thus, women prefer to take a back seat when it comes to their career. But I feel if you want, it is possible to manage time and balance both the parts of your life.

MBR: What are the problems do you think are mitigated already and women aspiring to build career in this sector do not face anymore?

Sarah Ali: One thing would be the flexible working hours. Apart from that most companies offer travel allowances or office transport which ensures security for women.

Back then there was a broad misconception regarding the advertising sector that you have to be involved in "entertaining clients" in client servicing in order to be in this sector. But now things are seen in a more professional way. Now women are more aware of the fact that their security is being ensured in this sector. We are establishing code of conduct for people and also trying to make it a much more professional working place so that women feel secure in this industry.

MBR: According to you what are the main reasons most women fail to make it to the top leadership positions?

Sarah Ali: I happen to think that women who have stayed in this advertising industry are better than the men because they seem more sincere and committed. Moreover, it seems that in this patriarchal society, women have a point to prove. So they have the urge to perform better than the man. I believe

it is mostly because of the family issues or the sacrificing mentality that our women have, which prevents them from striving to the top.

MBR: Can you suggest a few ways to overcome the barriers that women face in developing their career across their working life?

Sarah Ali: One way is to have a different mind-set that this is more than just a career and it is important to take work seriously and fight for it. Also, women need to understand that flexibility of time and workplace is possible and also organizations should have certain arrangements like Crèche where women can bring their child to work. If these facilities are provided, then women will feel more comfortable to work. We need more female role models that are in leadership positions so that other people can be inspired by them.

MBR: Even though women executives are ambitious like men, why do gender diversity at the top still remains a challenge for most of the organization?

Sarah Ali: This is the challenge faced by most organizations because they don't have enough women who stuck to the job and are naturally capable of going to the top. The pool of men is higher than the pool of women, which is why they have more men going to the top. Hence, the challenge is to have equal representation of male and female in all organizations in order to have more women going to the top.

They can create a more favorable workplace and we can ensure the security because a lot of women are subject to harassment at workplace. So without proper security at work, women don't feel comfortable.

MBR: What is your opinion regarding the participation of women in the advertising sector of Bangladesh?

Sarah Ali: As I have mentioned earlier, there are a lot of women coming to one aspect of advertising that is client servicing but we don't get enough women in the creative side of the business. Probably we need to create better atmosphere for our female employees and encourage more participation.

MBR: What problems do the women mainly face while working in this sector? And How to mitigate those?

Sarah Ali: In order to be in the advertising industry, you have to work with many different kinds of people, and this can be a bit uncomfortable to deal with. For example, we work with producers, actors, film makers photographers, BTL agencies, printers and the list goes on. But recently, this is changing in the sense that more women are coming in the media world that advertising agencies deal with. Despite that, we do not have equal gender representation in the industry and this can get uncomfortable at times to deal with. Sometimes, as a woman you might not be given enough importance or respect, and might get judged for your gender, with your male counterpart getting more preference. But I do believe these obstacles can be dealt with if the work atmosphere is friendly and inclusive. The problems and obstacles will always be there so you need to learn from your co-workers or take help from the seniors to overcome the problems.

MBR: How does Bitopi provide adequate job opportunities and pleasant environment for the women?

Sarah Ali: We have a code of conduct, we have behavior policies that everyone has to follow. We have transport facilities for women, we have a women HR with whom it is easier for women to discuss issues with. I personally have zero tolerance policies for any kind of unpleasant or wrong behavior.

I do believe all women employers out there are trying to create a better atmosphere for their women employees.

Often times, women feel insecure, and this usually stems from physical insecurity and unacceptable behavior and misogyny at the work-place. In order to mitigate that and to ensure that the women at Bitopi feel strong and confident, I sponsored 5 women from Bitopi to take Krav Ma Ga classes, so that they at least feel physically secured and confident. I also make sure women and men know their rights very well in the organization, so that they can raise their voice if their rights are getting misused in any way.

MBR: What other initiatives can Bitopi or any other advertising company take to increase female participation?

Sarah Ali: Well, we already go to universities and other career fairs, and try and recruit from there. But at the end of the day, we get maximum people on board through word of mouth. I think if you have a good working environment, people will discuss it on social media, and the same goes for a hostile work environment, which also gets discussed on social media. It's still challenging to get enough female employees and overall the ratio of our female and male employees is 20:80. When we release recruitment ads, we cannot specify that we would like female applicants, but once we do get female CVs, we do try and interview any prospective and recruit them. I suppose we just need to get more words out there that we are a woman friendly work place that can be considered for jobs.

MBR: In our society where women are constantly exposed to negativity how did you manage to boost your self-esteem?

Sarah Ali: I have two brothers and I have always been treated as one of the children, not as a girl. Women often have to stick to all the archaic societal standards but thankfully my parents never imposed any of these on me. I think the patriarchy that we live in makes men think they are intellectually and physically superior to women. So with regards to that, I have made sure that my education has been extensive as I finished my Masters degree and then started work in the agency. And as for physical strength, I have done karate, so I know I can defend myself. I also like to challenge myself with intensive physical training as I think a fit body contributes to confidence and improvement of the mind as well. I regularly do yoga and meditation as I believe it gives inner strength, determination and courage. I do not believe I am lagging behind a man in any way and I set my own bar for self-esteem by challenging stereotypes that exist about women.



IDLC Finance Limited believes in the fundamental rights of women and providing equal opportunities to any gender. Thus, besides availing loan in different prospects, the company took extra steps to empower women and help achieve their goals. For instance, IDLC Ladies Forum was developed to address the female employees' views and opinions to facilitate a good working environment for women through the participation of all women employees from different positions in the hierarchy, posted in different departments and branches. IDLC launched Purnota loan with numerous benefits along with attractive loan package for the passionate women in our country. Purnota assists in obtaining regulatory documents

and licenses, providing services of Purnorta helpline, insuring against any risk incurred and also providing medical allowance. There is Purnota Digital Marketing service that offers guidance for promoting and advertising their products through social network media, website and other digital media in a cost-effective manner. IDLC reached out to Syeda Selina Shelly's initiative Apon Nibash-Old Home that provides shelter to 65 homeless old women and logistical support. IDLC also organized a free health camp for Apon Nibash-Old Home residents and provided medicines as prescribed by the doctor. IDLC has undertaken a scholarship award project called Oditiya, in collaboration with Prothom Alo Trust and Asian University for Women for females who are first in their families to attain university level education. It was a great initiative by IDLC towards greater woman anticipation. IDLC initiated a project to provide financial support for patients with Obstetric Fistula in partnership with MAMM's Institute of Fistula and Women Health for Fistula Surgery. Under this initiative IDLC will provide financial support for 50 patients in one year. IDLC Finance Limited not only envisions equal rights of women outside the company but also instills same values in its employees. Thus, in this issue, we are also featuring the spouses of the employees of IDLC Finance Ltd. who represent strength, talent and confidence.



Dr. Hashama Jahan Yousuf, MBBS, MPH
 Researcher, USAID's RDM Project, Maternal and Child Health Division, icddr
 (Serving for 2.5 years)

Medical Officer, Global Find Project, BRAC Health (served for 4.5 years)

(Spouse of Mr. Nafius Noor Khan, AGM, Consumer Asset)

Being a researcher and by chance a female one – is a very dynamic role with challenging missions. I was lucky to finally find my destination in my dream organization as a researcher at icddr. I did not have a clear career path in my mind when I started my career but learnt through gathering new experiences. Fortunately, I had a lot of opportunities and did not feel discriminated because of my gender. However, being confident is one of the keys to success I believe and I was lucky to have that quality pushing me to surpass my boundaries. Moreover, not only hard work is crucial but also knowing your interest will define success.

Lack of training facilities, skill and proper knowledge of technology are the main reasons for female workers to lag behind in the job market. Also when it comes to institutional education, men become skilled through different types of training whereas, women remain busy in maintaining family. The freedom to work – by choice, in conditions of dignity, safety and fairness guaranteeing that women have access to this right is an important end in itself.

Between the workplace and life outside of work, women often play multiple roles each day like mother, wife, career woman and me as an individual. What helped me balance these duties seamlessly and without compromise was a combination of having the courage to make tough decisions, a strong support system of my family especially from my husband. I am incredibly fortunate to have had a solid foundation and network of support throughout my career.

For the incredible working women of the society, you have to believe in yourself more than you believe in anyone. You need to keep dreaming and push yourself towards fulfilling those. To know your worth and love yourself is the core of your success in all aspects.



Ms. Sabiha Rahman Jeetu

Social Entrepreneur

Founder and Early Childhood Development Consultant, Idea Dome Consultancy (serving for 3 years)

Owner and Head of Academics, Peter Pan Infant And Grammar School. (Serving for 13 years)

(Spouse of Mr. Tanvir Shawkat, Sr. Manager, SME)

Serving the society always had my interest since childhood. Experiences like volunteering and working for NGO added to my professional know-how a lot. Then I had to go through a difficult phase in my life where I only focused on two things; my child and being constructively busy. Out of my own interest I did my second Masters in Early Childhood Development and took over the charge of the kindergarten school. My vision was to develop an education system for the children of middle class families to provide top-class education in affordable range. Moreover, the school has a separate shift for underprivileged children, where they receive quality education free of cost. I capitalized my experience and hobbies of crafting and came up with “Idea Dome Consultancy”. Here, we have wings for event management, interior decoration, organizing various training and work-shops.

As a woman and especially as a mother, my journey was not smooth at all. However, I had to work late night to cover events, stay outdoors nights after nights to conduct trainings, organize social campaigns. Fighting the negativities was the biggest challenge which I overcame pretty well.

Family is a joint endeavor where both partners need to be respectful and supportive to each other to make it a successful one. In my journey, having Mr. Tanvir Shawkat as my life-partner made it much easier. Sometimes I get astonished how he manages to solve all my problems and becomes my biggest support. He always encourages my work, gives critical reviews and sometimes helps me in my projects as well.

In this competitive world, women have to go through challenges that might become a barrier to your dream. But fulfilling your dream is your right. Have strong willpower so that you can work hard enough and never compromise with quality.



Ms. Tatiana Jabeen

Brand Manager, Marketing, Marico Bangladesh Limited (Serving for 3 years)

Previous Organization: Senior Brand Executive, BATA Shoe Company Ltd. (Served for 3 years)

(Spouse of Mr. Md. Tanjir Masud, Manager Wealth Management)

In a male dominant society, it is always very challenging to prove your worth. In our society, women gets less opportunities than men. So any opportunity for a women is very expensive as they are limited. Sometimes, a women has to be twice more efficient than a male employee to prove their worth. Hence, being thorough and rigorous in your work is the key to excel.

However, a great support system is crucial to excel especially when we reach the mid-level positions of our career. Because this is the time when we are entrusted with more responsibilities in both professional and personal arenas. Balancing both the worlds can be very difficult sometimes. It is unfortunate that many efficient female employees leave their jobs to carry out her personal responsibilities. Both spouse and organization plays a vital role in this stage. My husband has been my rock in this journey. In every thick and thin, he has been there to support me and encouraged me to stand strong. Many a times when it was becoming difficult for me to balance my personal and professional life, he has stepped in and supported me and did his best to balance both the worlds. My life wouldn't be as it is now if he was not there to support me.

Every sector is becoming more competitive day by day. To outshine in this highly competitive world one has to update and upgrade thyself continuously. An efficient employee is always an asset for any organization. Thus, never stop learning. There is no age limit for learning. A strong base of knowledge will give the strength to excel in career with full potential. And always remember, sky is the limit.

ROKOMARI

Reading not only gives us varied pleasure and intellectual satisfaction but also lifts our mind from our hectic life into the world of imagination. In this generation where the advanced technology is reshaping our reading and learning habits entirely, Rokomari has emerged with the idea to enrich the fondness of people to read by making books easily accessible to them. Back in 2012, former BUET graduate Mahmudul Hasan Sohag, Chairman of Onnorokom Group dreamt of serving books to peoples' door step which was completely a new concept back in those days. Gradually, this one new idea gave birth to more and made Rokomari a consistent player of the country's ecommerce arena. Of late, MBR had an opportunity to have a one-to-one conversation with the founder of Rokomari.com, Mr. Mahmudul Hasan Sohag and re-discover how the continuous trial and error shaped Rokomari.com and made it appear as a role-model of the e-commerce sector of Bangladesh.

MBR: How the idea of Rokomari was put into a business model?

Mahmudul Hasan Sohag: My work process is rather chaotic than organized. Thus, I would suggest not to follow my method. As per Myers and Briggs personality types, I am categorized as ENTP, who are highly intuitive. Thus, a lot of my decisions are rather intuition based. In case of Rokomari as well, I did not follow any proper business model. In fact, I was not even familiar with Business Model Canvas framework back then. However, we thought about the process step by step; if we want to serve books to people what should be the process or steps and what bottlenecks we have there to overcome. The 1st step was to enter the names of books and authors. It was in the month of January 2012, thus, most of the publishers did not take us seriously Rather they thought we were one of those seasonal birds who want to work with books only around February for book fair. However, we did not leave the battle field. The 2nd step was to create a website which wasn't a difficult task for us as all the three business partners of Rokomari are from BUET, with good knowledge on that field. So dealing with technological issues was not something challenging for us. The step which was challenging for us was the methods we would use to deliver the product and collect the payments. Due to trust issues regarding online service, we have decided to do cash on delivery rather than credit card payments. But for the cash on delivery we needed

a suitable delivery service provider whom we could rely on. This was the biggest bottleneck for our idea to come to fruition. When we have contacted Sundarban courier service, they only had the delivery service but they didn't have the cash on delivery service. In other words, they would not collect the payments but later they did decide to design the cash on delivery just for us. As a matter of fact, we still deliver books to the rural areas via postal service. That's how we have constructed the idea of Rokomari into a business model.

MBR: What was the biggest turning point of Rokomari's growth and when did it happen?

Mahmudul Hasan Sohag: The third year, 2014 was the biggest turning point of Rokomari's growth as we started dealing with data. E-commerce is a data driven business and initially we didn't have adequate knowledge on how to deal with data or handle data but gradually we started to learn

and use google analytics. As we moved to data driven decision making process, it contributed to our growth to a great extent. Now, we have 160 to 170 full-time employees and another 60 to 70 contractual employees in our organization forming a team of very young people. Starting from the scratch, through continuous learning and entirely private investment i.e. without any external investment, Rokomari has grown to what it is today.





Mahmudul Hasan Sohag
Managing Director & CEO

MBR: If you look at the journey of Rokomari, what would you consider Rokomari's biggest achievement?

Mahmudul Hasan Sohag: The biggest achievement of Rokomari, according to me, is the team that we have built. We are proud of our team and here the retention rate is almost close to 100%. Everyone here shares a great bonding with each other. We have built a culture which consists of a few important elements and one of the most important elements is everyone has to be modest, humble and welcoming. This crucial element prevails because of our rigorous recruitment process which assesses the candidate's ability to fulfill our cultural practice or norms.

MBR: What is the biggest strength or core competency of Rokomari.com?

Mahmudul Hasan Sohag: The biggest strength of this company is again its team. I believe that a company's most important asset is its people. We can invest large amount on buying new software but we cannot buy a ready-made team and expect the team to be functional or to improve the team work. So our core strength is our team.

MBR: What was the biggest failure in the journey of Rokomari so far and how Rokomari capitalizes on the learning of that failure?

Mahmudul Hasan Sohag: We shouldn't use the word 'failure' instead we can use the word 'experience' because failure sounds very negative. We did undergo many good and bad experiences through out our learning process. As we learned to handle data and work with growth hacking, we realized that we should have started working on these earlier to make the process faster. So this realization was a lesson for us. Also we have learnt that when the volume of order increases, the process needs to be redefined and till now there has been major process renovation in our supply chain for three or four times and that was another good lesson for us.

MBR: Did Rokomari go through any major operational changes over the year? And why the changes were important?

Mahmudul Hasan Sohag: In 2019, we identified several issues in the order process. As we started getting huge responses from our customers, we faced difficulties in giving a delighted experience to our customers with on time delivery. Customers did not receive their deliveries on time which led to higher complaints and we have apologized to all our customers for this bad experience. Sometimes, large volume of order becomes very difficult to manage in the absence of an appropriate structure. To overcome the situation we have embedded continuous monitoring into the system and the operational process has been restructured in order to improve the service operation management.

MBR: What are the strategic priorities of Rokomari at the moment?

Mahmudul Hasan Sohag: We had an internal discussion a year back on our strategic priorities. It was derived that the international giants like Amazon can become a threat for us if they enter the Bangladeshi market and make it difficult for us to survive here. To be prepared to confront to this challenge, we decided to focus on the blue ocean strategy. Blue Ocean Strategy is referred to a market for a product where there is no or very less competition. This strategy revolves around searching for a business in which very few firms operate and where there is no pricing pressure. At the moment, our strategic priority is to focus mainly on books and create more services related to books. This is because

if we try to bring diversification with our limited resources, desired outcome may not be achieved. However, we definitely have a plan to diversify in the future keeping books as our major priority.

MBR: What are the challenges Rokomari is facing now? What are the key areas or strategies that are giving Rokomari a competitive advantage?

Mahmudul Hasan Sohag: Our major challenge is to sustain the niche market we have created and strongly hold on to it. In order to sustain we believe we have to focus on developing a unique selling proposition and identify the areas we need to compete in. Thus, the challenge is to create a platform to differentiate our brand. To that end, our team worked wholeheartedly. We believe human capital is the biggest competitive advantage for any organization. Hence, human capital is our key area where we put our focus for continuous improvement.

MBR: Is there any international online bookstore who Rokomari sees as inspiration? If yes, how does it inspire Rokomari?

Mahmudul Hasan Sohag: Rokomari was created from our own interest and effort. We have developed our own business model and separate thought process. Even the ways of providing services is not similar to any other bookstores, I believe. But, we definitely take inspiration from the journey of businesses like Amazon. Moreover, the operational structure of Zappos.com is quite similar to that of Rokomari. They also focus on preserving the organizational culture such that, in spite of being undertaken by Amazon, it is maintaining its own approach of conducting the business.

MBR: Is Rokomari going to expand its business in different vertical other than books?

Mahmudul Hasan Sohag: We have already worked on e-books and are also working on selling second hand books. But, we still need to develop a viable model for penetrating the offline market as we are affiliated to a number of bookstores that order books from us. Apart from storing books, we also provide other related products to complement the books. Pirated books are not sold as we aim to operate in the most ethical way. However, we still could not penetrate the academic book market but nowadays our neighboring countries like India are getting permission to do so. Thus, it might be helpful for us to provide international books in a considerable rate.

MBR: What do you think ecommerce industry will look like 10 years from now?

Mahmudul Hasan Sohag: In this advanced world, e-Commerce has continued to grow at an electric pace, so has the competition. In order to stay competitive in the e-Commerce space, it is imperative that you look down the road a bit. In 10 years, I think we'll see a great divergence in the e-Commerce world. There will be Amazon on one side, who will be the trusted source for any and all commodity items. On the other side, some independent stores and brands will be there anchored by a branded product line or a highly specialized service offering. Artificial intelligence will be such that it will bring our desired products to our doorsteps without being aware of.



Free Eye Camp organized by IDLC at Kushtia



A free eye care program was organized on February 29 at Mir Abu Abdullah Memorial Junior School in Kushtia, courtesy of IDLC Finance Limited, the country's largest financial institution.

In the first phase of screening of the Eye Camp, 370 patients from that region were provided free medical treatment by 2 specialized doctors along with a group of medical professionals and necessary medicines were provided.

In the next phase, 50 cataract patients among the 370 patients were identified, given pre-operative check-up, lab tests were done and surgery was performed in Ad Din Hospital Kushtia along with 24 hour hospital stay.

Head of SME Mohammad Jobayer Alam, and Kushtia Branch Manager Md. Amir Hossen were present on behalf of IDLC finance limited at the Eye Camp along with other high officials.



Under the initiative of the “Khushir Kheya”, IDLC finance Limited has financed the whole project while “Spreeha Bangladesh foundation” ensured the successful implementation of the initiative.

WANDER WOMAN



Sabira Mehrin
Founder, Wander Woman

Years ago, rarely we have seen women taking initiative to travel on their own without any male supervision. Thankfully, this scenario is changing and observing the other side of the coin now. Women are gaining confidence and courage to take steps towards travelling solo if not in groups.

This change didn't take place overnight. A ground-breaking platform named Wander Woman consistently worked to inspire women to travel all around the world.

Wander Woman is a community that provides travel assistance, connects female travellers and organizes travel experiences for women from Bangladesh.

Three years ago, Sabira Mehrin Saba, the founder of Wander Woman, figured out how there is a gap of information from Bangladeshi travellers' perspective. Hence she wanted to find travellers who could share travel experiences to help those who are planning to travel. Sabira also noticed how women travelers face more resistance from society when she aims to pursue global opportunities or plans to travel outside home. Lack of security and social stigma held women back from exploring the world.

To change mindset and empower women, Sabira founded Wander Woman in September 2017 as a Facebook Group to create a niche community of female travel enthusiasts. Overnight the group grew which she started with 200 members only. Wander Woman is now a solid network of 25,000 Bangladeshi women residing all over the world.

Due to demand, Wander Woman started organizing all-women tours from 2018 and hence, it registered as a travel agency in Bangladesh that year. Since then this platform has arranged travel experiences for 1000+ women and served 15,000+ women with information and travel assistance. The

97% engagement rate in group for the last 3 years is a clear indication of how women are involved with this community. Every woman supports other women as a part of peer to peer model which demonstrates epitome of women supporting each other in need.

Wander Woman stands out in terms of destination, price and safety assurance. Women who sign up for WW Travel experiences always receive transparent information and get to meet travel mates before the trip. Unlike any other travel group, Wander Woman serves trips to a limited number of members ranging from 10 to 15 for each trip to create strong bonds among members and ensure quality in experience.

Sabira observed a changing pattern in the travel style of women after the formation of Wander Woman. Firstly, women, being inspired by fellow Wander Woman travellers, started investing in tours. More solo women travelers are joining in Wander Woman tours. Thankfully, more women are taking their travel experiences into account and focusing on documenting them. Through Instagram, Wander Woman highlights the female travellers of Bangladesh and this is where Sabira observed growing travel bloggers which weren't the case during the inception of Wander Woman.

Safety has always been the biggest concern in travel experiences and hence, Wander Woman takes well defined measures to ensure safety for women. Pre-tour meetup is arranged to inform travellers about every possible scenario and prepare travellers for uncertainties. On top of that, Wander Woman has established a connection with tourist police to ensure safety for the travelers. Lastly, Wander Woman is the first travel company that will provide travel insurance for those who sign up for their tours.



Key Info

- The concept was initiated through a social media platform in **2017**
- Wander woman was registered as a travel agency in **2018**
- Engagement rate of the Facebook group is **97%**
- Mostly young professionals tend to travel with Wander Women
- The empowerment wing, WW Academy conducts self-defense classes and planning for more.

From community to company, Wander Woman has shifted towards changing the mindset and travel experience for women in Bangladesh. Given the powerful network of bold women, Wander Woman is now catering more than tourism.

Realizing the need for certain skills while travelling, Wander Woman has launched its empowerment wing called WW Academy where women can learn necessary skills such as self-defence, photography, swimming and more. Sabira addressed harassment issue last year in a domestic trip and hence, created WW Academy for preparing women with the right skills.

Wander Woman indeed struggled with forming a proper team initially and this is why Sabira handled the platform on her own till July 2018. Afterwards, her team started growing and now she is working with a team of 8 people. Sabira is aiming to automate the entire process of registration and shift from online to offline model at the same time keeping the growing demand in mind.

Sabira truly believes that travel does empower women as women, in general, rely on second opinion and struggle to take bold decisions due to social frame. However, travel experiences push women to make firm decisions starting from the first step. Decision making itself is a sign of empowerment. On top of that women gain confidence in navigating herself out of her comfort zone while travelling - this is another way to feel empowered. Hence, Sabira wants to continue to inspire more women to travel to only empower women as an individual but also to let them explore the world and realize their goals.



GAZE, WINNER OF STARTUP WORLD CUP 2020, BANGLADESH, WILL COMPETE IN SILICON VALLEY

Startup World Cup is a competition for startups that has been organized by Pegasus Tech Ventures headquartered in Silicon Valley, US. Startup World Cup, Bangladesh regional had returned on a grand scale for its second appearance. According to Techcrunch, Startup World Cup is the largest startup competition in the world. For startup entrepreneurs, this is undoubtedly an incredible opportunity wherein they have access to a platform for gaining early exposure and the chance to win an investment prize of US \$1,000,000.

In the spirit of Mujib Borsho, Startup World Cup 2020, Bangladesh regional was held in Radisson Blu Hotel, Dhaka on February 8th, 2020. The event involved a daylong international conference which was then followed by the regional finale. Startup World Cup

2020 was organized by Ministry of Foreign Affairs, ICT Division, Venture Capital & Private Equity Association of Bangladesh (VCPEAB), International Finance Corporation (IFC) and was powered by eGeneration.

The event was graced by the presence of global investors from countries such as USA, Singapore, India amongst others which evidently infers to Bangladesh being globally known as an entrepreneurial nation. Foreign Minister Abdul Momen, Private Sector Industry and Investment Advisor to Prime Minister Salman F Rahman, ICT State Minister Zunaid Ahmed Palak, CEO and General Partner of Pegasus Tech Venture Anis Uzzaman, Executive Chairman of BIDA Md. Sirazul Islam, Foreign Secretary Masud Bin Momen, Chairman of Janata Bank Dr. Jamaluddin Ahmed, IFC Country



Manager Wendy Werner, Chairman of eGeneration and Venture Capital and Private Equity Association of Bangladesh Shameem Ahsan were also present amongst various others.

Startups are major contributors to regional economies, creating new employment opportunities. It facilitates the creation of employment for the country's large working age population with 65% of total population aged between 15 and 65 years. Startup World Cup aspires to engage and empower new age startups. Furthermore, it promotes innovation and inspires young entrepreneurs to think beyond traditional business models and limitations along with helping them transform their ideas into concrete projects. Often, young businesses not only integrate new technologies, but also develop new innovations themselves to create value, solve problems and increase efficiency. Hence, actively supporting startups will always be highly beneficial in the long run for a country's economic spur.

Mr. Shameem Ahsan, Chairman, Venture Capital and Private equity Association of Bangladesh (VCPEAB) and eGeneration and General Partner, Pegasus Tech Ventures introduced the vision 2025 in the session titled "Venture Capital for Double Digit Growth" during the inauguration ceremony of Startup World Cup, 2020 grand finale event day held at the Radisson Blu Water Garden, Dhaka. Along with the vision, he had given a 10-point recommendation to achieve the targets.

The proposals incorporated a policy, financing, innovation, and country branding framework. Mr. Shameem emphasized that VC fund is usually an investment fund that comes with tax rebate facilities worldwide. A similar model can be implemented in Bangladesh along with policy reforms allowing provident funds, gratuity funds, and insurance companies to invest in alternative investment instruments like Venture Capital fund. Also, it included a proposal for policy reform to enable fund of funds by banks and NBFIs.

In foreign countries, there are fund of funds created by central banks for capital investment and similar fund of funds by local banks for providing working capital to growth stage companies. Capacity Development with

universities for industry collaboration, innovation led by the government sector, country branding through Global VC and PE Linkage with roadshows in Silicon Valley, London, Tokyo and Singapore, and a Startup World Cup, South Asia and Asia were proposed by Mr. Shameem in his keynote.

Foreign Minister Dr. A K Abdul Momen MP said, "We are celebrating Mujib Borsho this year and have taken a number of initiatives on this occasion including the startup sector. I think the startup sector will drive to establish Bangladesh as Sonar Bangla of Bangabandhu and help in establishing a Developed Bangladesh by 2041. We hope that by coordinating with the private sector, the goal will be achieved. To accomplish this, all necessary support will be provided to the private sector including the startups."

Salman F Rahman, Private Industry and Investment Adviser to the Prime Minister said, "Government has been taking its own initiatives in the sector and there have been incentives given by government for the growth of this industry. We already have startups growing in the country with examples set by bKash, a billion-dollar unicorn. I welcome the vision and the objectives set here for the next 5 years for building an investment friendly startup ecosystem in Bangladesh."

State Minister of ICT Division Zunaid Ahmed Palak Said, "The government wants to create employers, not employees. We are creating a Startup Culture, Innovation Center to implement steps to reach that goal by Mujib Borsho. We are establishing Startup Bangladesh as a Limited Company and a \$ 1 million support fund has been created for this sector. I wish the success of the startup representing Bangladesh in the final event of the Startup World Cup in USA."



Anis Uzzaman, Chairman Startup World Cup, and General Partner, and CEO Pegasus Tech Ventures, presented the grand keynote at the Startup World Cup Grand Finale. He said, “Pegasus Tech Ventures is committed to invest in Bangladesh startup ecosystem as we have already invested in shohoj.com, ajker deal, Bagdoom, Handimama and Digicon to develop in Bangladesh. We will take the Bangladesh regional winner to Silicon Valley and mentor the team and enable them competing with the global competitors.”

Startup World Cup 2020, Bangladesh regional involved strict screening procedure which started off with more than 150 startups applying for the regional competition. The applications had been thoroughly filtered with the assistance of two rounds of judging with an online screening round and a preliminary judging round. Through this rigorous process, the top eight startups of the country were selected. The top 8 startups were as follows in alphabetical order: AlterYouth, Cookups, Gaze Technologies, Parking Koi, Poshapets, Sigmind.ai, Torun Digital and Truck Lagbe.

The top 8 startups pitched in front of international judges in the grand finale. The judges of this regional finale round were Mr. Ian Sikora, Director, Openspace Ventures; Mr. Masa Isono, Principal, DEFTA Partners; Ms. Jenni Risku, Founder, Women in Tech – Asia; Mr. James Tan, Chairman, BANSEA (Business Angel Network of Southeast Asia).

This year, Gaze Technologies secured the first place in the Startup World Cup regional finale and will soon be heading to San Francisco, US for the global finale round to compete for US \$1,000,000 as investment prize in May 2020.

Gaze Technologies is an artificial intelligence startup that focuses in building intelligence software for cameras. Their technology makes regular CCTV cameras smarter and more effective using state-of-the-art artificial intelligence. Moreover, they will get the opportunity to represent Bangladesh in Annual Investment Meeting in UAE.

Previously, Startup World Cup had successful and renowned entrepreneurs as speakers in the past. Some of these influential speakers were Steve Wozniak, Co-Founder of Apple; Marc Randolph, Co-founder of Netflix; Adam Cheyer, Co-Founder of Siri; Reid Hoffman, Founding CEO of LinkedIn amongst many others.

The Startup World Cup 2020, Bangladesh’s international partners are Singapore Venture Capital & Equity Association (SVCA) and Annual Investment Meeting (AIM), along with local partners including Bangladesh Hi-Tech Park Authority, Startup Bangladesh, TiE, Entrepreneur Organization (EO), American Alumni Association (AAA), Chakri Khujbo Na, Chakri Debo. The Startup World Cup 2020, Bangladesh has Knowledge Partnership with BUET; and media partnership with RTV. Evaly as the platinum sponsor and Chaldal as the gold sponsor for Startup World Cup 2020, Bangladesh.

Performance of Equity Markets of Bangladesh and Peer Countries

Bangladesh equity market closed the month of February in positive territory. During the month, the broad index DSEX rose by 0.2%, gaining only 10.6 points. The Shariah index DSES also increased by 1.6%, while the blue chip index DS30 declined by 2.1%.

Among the regional peers, Pakistan, Sri Lanka and Vietnam's index declined by 8.8%, 5.7% and 5.8% respectively. Additionally, the MSCI Frontier Markets Index also declined by 5.3%. Over the long term, Vietnam showed the most encouraging track record with a 5 years' return of 48.9%.

Table 1: Equity market performance in Bangladesh and peer countries

Indices	Index Points, January, 2020	Return*					
		1M	3M	YTD	12M	3Y	5Y
Bangladesh							
DSEX	4,480.2	0.2%	-5.3%	0.6%	-21.6%	-20.2%	-5.9%
DS30	1,492.4	-2.1%	-9.4%	-1.4%	-25.3%	-26.3%	-15.8%
DSES	1,044.9	1.6%	-3.4%	4.5%	-20.5%	-20.0%	N/A
Peer Countries							
Pakistan (KSE 100)	37,983.6	-8.8%	-3.3%	-6.8%	-2.7%	-21.7%	12.9%
Sri Lanka (CSE - All Share)	5,592.9	-5.7%	-10.0%	-8.7%	-3.8%	-8.8%	-23.4%
Vietnam (VNI)	882.2	-5.8%	-9.1%	-8.2%	-8.6%	24.1%	48.9%
MSCI Frontier Markets Index	727.5	-5.3%	-1.5%	-5.1%	2.3%	6.1%	0.6%

*All returns are Holding Period Return

Source: Investing.com, MSCI, DSE

Liquidity Condition in Equity Market of Bangladesh

During February, the total market capitalization increased by 0.6%, while free float market capitalization also increased by 0.7%. The daily average turnover of February 2019 was BDT 6.2 bn (USD 73.1 mn), increasing by 69.4% from that of last month. Accordingly, turnover velocity which represents overall liquidity of the market increased to 43.5% in February compared to 28.4% of last month. In 2019, turnover velocity of Bangladesh equity market was 33.5%, in comparison to 34.4% in 2018.

Table 2: Market capitalization and turnover statistics

Particulars	29-Feb-20	31-Jan-20	% change
Total market capitalization (USD* mn)	40,375	40,129	0.6%
Total equity market capitalization (USD mn)	33,477	33,260	0.7%
Total free float market capitalization (USD mn)	13,623	13,533	0.7%
Daily Avg. Turnover (USD mn)	73.1	43.2	69.4%
Turnover Velocity~	43.5%	28.4%	N/A

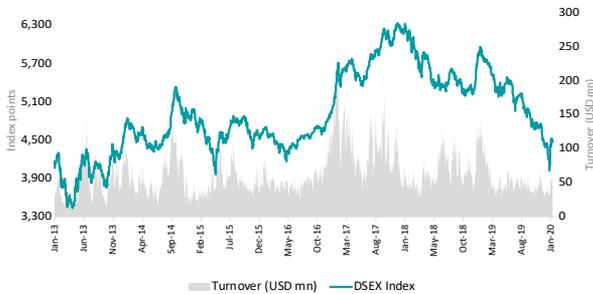
*All USD figures are converted using an exchange rate of 84.95 as of February 29, 2020 as per Bangladesh Bank website.

~Turnover velocity is calculated by dividing monthly total turnover with month-end market capitalization. The figures are annualized.

Historical Index Points and Market Participation Data

Since its inception on February 27, 2013, DSEX yielded a holding period return of 10.5% till February, 2019. During the same period, daily average turnover of the market amounted to BDT 5.4 bn (USD 63.2 mn) (Figure 1).

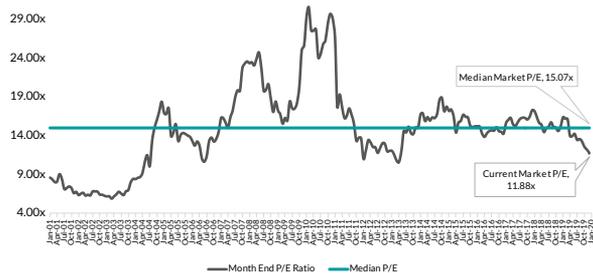
Figure 1: DSEX since inception along with market turnover



Market Valuation Level - P/E Ratio:

The market P/E decreased to 11.88x in February compared to last month's 11.73x. It is also way lower than the 19 years' median market P/E of 15.07x (Figure 2). In terms of trailing 12 month P/E ratio equity market of Bangladesh is the cheapest among its regional peers. (Figure 3).

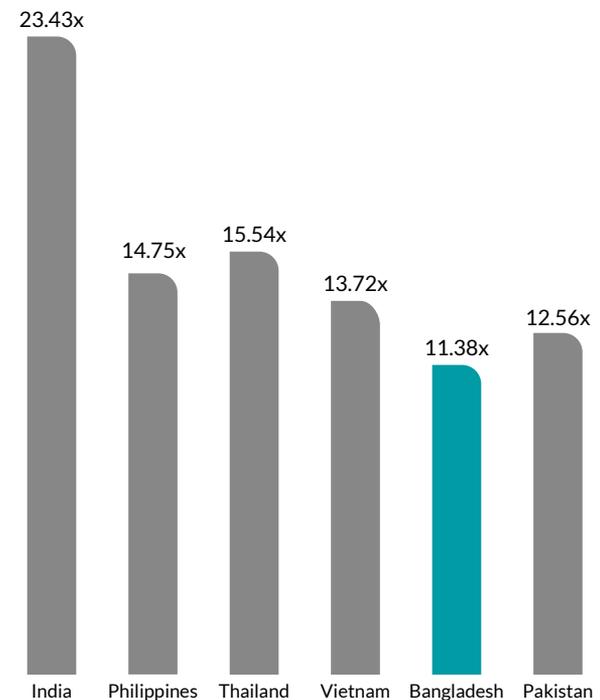
Figure 2: Historical market P/E* and it's median Current Market P/E in Context of History



*Price Earnings (P/E) Ratio is calculated by dividing total market capitalization of all profit making listed companies with their total audited annual earnings.

Source: CEIC, DSE

Figure 3: Current market P/E* of Bangladesh and peer countries



*Trailing 12 month P/E as of February 29, 2019.

Source: IDLC, Bloomberg

Sector Performance

During February, all the sectors yielded mixed returns. Among the major sectors Textile, Engineering and Telecommunications yielded positive returns of 10.4%, 8.0% and 7.7% respectively, while Food & Allied, Bank and Non-Life Insurance yielded the most negative returns of -7.2%, -5.2% and -4.6% respectively.

The largest sector in terms of market capitalization, Bank is relatively undervalued in terms of P/E ratio. On the other hand, Fuel & Power sector has the highest dividend yield of 5.8% among all sectors.



Table 3: Sector performance snapshot

Sector	Market capitalization (USD mn)		Return*						P/E (x)**	P/BV (x)^	Dividend Yield~
	Total	Free Float	1M	3M	YTD	12M	3Y	5Y			
Bank	5,715	3,222	-5.2%	-10.4%	-8.7%	-18.6%	-6.1%	42.1%	7.3	0.8	2.6%
Pharmaceuticals & Chemicals	5,759	3,041	2.5%	-2.2%	4.2%	-5.7%	10.6%	50.2%	11.0	9.8	2.1%
Telecommunication	4,551	486	7.7%	-12.4%	-2.4%	-27.7%	1.0%	3.2%	14.6	2.3	4.6%
Fuel & Power	4,710	1,253	2.5%	-0.9%	5.7%	-19.6%	7.1%	38.4%	11.3	1.3	5.8%
Food & Allied	2,705	984	-7.2%	-6.4%	3.0%	-19.6%	9.2%	6.2%	19.0	6.5	3.6%
Engineering	1,852	959	8.0%	-1.4%	6.1%	-21.6%	-14.6%	52.0%	16.3	1.3	2.5%
NBFI	1,654	500	0.4%	-7.4%	-0.8%	-25.3%	-32.6%	-6.6%	12.0	1.4	2.6%
Textile	1,362	782	10.4%	6.8%	7.2%	-22.0%	5.8%	51.7%	13.8	0.8	2.3%
Miscellaneous	1,218	324	4.2%	2.2%	5.4%	-21.6%	4.0%	64.2%	21.5	1.1	2.0%
Cement	1,020	416	0.4%	12.6%	24.1%	-17.0%	-43.7%	-48.1%	30.0	2.4	2.3%
Life Insurance	668	298	-3.4%	-3.8%	-7.4%	-3.6%	21.4%	9.2%	13.5	5.5	1.9%
Non-Life Insurance	558	323	-4.6%	-6.5%	-5.4%	-7.8%	25.0%	60.6%	12.3	1.1	2.9%
Ceramics	258	105	-1.1%	-8.4%	-1.8%	-30.1%	-21.8%	2.4%	35.6	1.5	3.2%
Tannery	240	119	2.3%	3.1%	4.3%	-27.7%	-24.6%	-17.4%	22.6	1.9	3.2%
Travel & Leisure	298	153	2.5%	10.4%	14.2%	19.1%	19.5%	24.6%	22.5	0.7	2.7%
IT	268	167	3.9%	6.9%	0.9%	-9.9%	47.0%	218.2%	28.8	1.2	1.3%
Services & Real Estate	191	98	11.6%	10.6%	19.5%	-14.0%	-41.0%	-28.7%	13.6	0.9	2.9%
Paper & Printing	134	46	14.7%	14.0%	14.7%	-28.4%	540.1%	519.6%	18.9	2.3	2.4%
Jute	23	14	-8.0%	-29.3%	-23.9%	-57.3%	73.5%	164.3%	36.7	7.0	1.2%
Market	33,149	13,274	0.2%	-5.3%	0.6%	-21.6%	-20.2%	-5.9%	11.9	1.5	3.3%

*All returns are Holding Period Return.

**Price Earnings (P/E) Ratio is calculated by dividing total market capitalization of all profit making listed companies with their annualized earnings excluding companies trading at an annualized P/E greater than 80.0x.

^P/BV is calculated by dividing total market capitalization of listed companies with their total book values excluding companies with negative book values.

~Dividend yield is calculated by dividing last year's declared cash dividend with market capitalization.

Cap Class Performance

During the month of February, all expect large cap classes yielded negative returns. Among them, the large cap was also the highest dividend yielding (3.8%) class.

Table 4: Performance of different market cap classes

Cap Class	Market Capitalization of Constituent Companies (USD mn)	% of Total Equity Market Capitalization	Return*						P/E (x)	P/BV (x)	Dividend Yield^
			1M	3M	YTD	12M	3Y	5Y			
Large	≥119	78.4%	-0.2%	-7.6%	0.0%	-21.7%	1.5%	17.6%	11.4	1.6	3.8%
Mid	36-118	12.4%	2.6%	-1.3%	1.3%	-12.0%	-5.6%	24.7%	13.8	1.0	2.4%
Small	12-35	7.6%	8.2%	0.5%	7.3%	-20.7%	-16.1%	24.9%	16.0	0.8	2.5%
Micro	<12	1.6%	5.2%	0.2%	2.7%	-20.7%	-13.6%	22.3%	18.6	0.5	1.1%
Market	-	-	0.2%	-5.3%	0.6%	-21.6%	-20.2%	-5.9%	11.9	1.5	3.3%

*All returns are Holding Period Returns

Performance of 20 Largest Listed Companies in Bangladesh

Among the 20 largest listed companies in terms of market capitalization, GP (+8.0%) advanced the most in February, followed by TITASGAS (+7.7%), MJLBD (+7.0%) and SUMITPOWER (+5.3%). BRACBANK (-25.8%) faced the highest selling pressure during the month.

Majority of these companies yielded outstanding return over longer time horizon (5 years) such as EBL (+111.6%), RENATA (+99.2%), BERGERPBL (+95.6%) and BRACBANK (+87.0%).

Among the scrips, SUMITPOWER, TITASGAS, MJLBD, EBL, ISLAMIBANK, GP, UPGDCL, PUBALIBANK, BATBC and MARICO recorded a higher dividend yield compared to that of market.

Table 5: Snapshot of 20 largest companies in terms of market capitalization

DSE Code	Sector	Market capitalization (USD mn)		Daily Avg. Turnover (USD mn)	Return*						P/E (x)	P/ BV (X)	Dividend Yield
		Total	Free Float		1M	3M	YTD	12M	3Y	5Y			
GP	Telecommunication	4,098	410	1.33	8.0%	-12.5%	-2.5%	-27.2%	1.6%	4.1%	10.1	10.4	4.7%
BATBC	Food & Allied	2,274	602	0.60	-8.1%	-8.0%	1.7%	-19.6%	24.5%	4.8%	22.4	7.1	4.1%
SQURPHARMA	Pharmaceuticals & Chemicals	1,970	1,292	1.30	-2.4%	-7.2%	1.8%	-23.0%	-7.4%	19.6%	12.1	2.7	2.0%
UPGDCL	Fuel & Power	1,610	161	0.30	-2.8%	-4.0%	2.8%	-38.1%	141.5%	N/A	21.2	5.0	4.7%
RENATA	Pharmaceuticals & Chemicals	1,141	557	0.07	-0.4%	-6.5%	-0.6%	3.5%	46.2%	99.2%	24.4	6.1	0.8%
BERGERPBL	Miscellaneous	769	38	0.04	-0.1%	-0.3%	1.0%	-22.0%	30.5%	95.6%	34.2	10.5	1.8%
ICB	NBFI	714	23	0.03	1.5%	-2.6%	4.4%	-26.6%	-39.4%	-21.8%	(34.1)	1.7	0.0%
MARICO	Pharmaceuticals & Chemicals	630	63	0.03	-2.3%	-2.5%	-0.8%	30.4%	85.8%	67.6%	18.8	30.7	4.0%
LHBL	Cement	688	243	1.17	-12.3%	14.5%	31.3%	10.6%	-44.1%	-59.5%	37.4	3.9	2.3%
BRACBANK	Bank	726	404	3.67	-25.8%	-36.0%	-35.0%	-47.5%	-3.4%	87.0%	13.6	1.9	0.0%
SUMITPOWER	Fuel & Power	493	181	0.33	5.3%	10.3%	13.7%	6.8%	21.6%	73.1%	7.0	1.0	8.8%
OLYMPIC	Food & Allied	459	332	0.04	-6.0%	2.9%	11.2%	-18.7%	-35.2%	13.7%	18.5	5.8	2.6%
TITASGAS	Fuel & Power	363	91	0.03	7.7%	2.4%	8.7%	-7.3%	-24.8%	-42.2%	9.6	0.5	7.7%
DUTCHBANGL	Bank	406	53	0.10	-8.1%	-11.7%	-11.2%	-11.7%	54.6%	84.6%	7.7	1.6	0.0%
ISLAMIBANK	Bank	353	180	0.05	1.1%	2.2%	-1.6%	-22.0%	-52.4%	-3.2%	6.4	0.6	5.3%
BXPBARMA	Pharmaceuticals & Chemicals	352	305	0.66	-0.9%	-9.0%	5.2%	-18.3%	-16.7%	53.2%	8.7	1.1	2.1%
EBL	Bank	325	222	0.01	-0.9%	-2.0%	1.5%	1.6%	35.5%	111.6%	9.0	1.2	5.4%
NATLIFEINS	Life Insurance	341	78	0.05	-5.9%	-0.9%	-10.2%	41.1%	89.7%	80.2%		30.7	0.7%
MJLBD	Fuel & Power	276	79	0.05	7.0%	2.6%	25.1%	-15.9%	-21.0%	1.4%	11.9	1.9	5.7%
PUBALIBANK	Bank	298	208	0.02	-5.3%	-8.3%	-2.9%	-10.7%	17.6%	41.6%	6.8	1.0	4.2%
Market		33,149	13,274	73.15	0.2%	-5.3%	0.6%	-21.6%	-20.2%	-5.9%	11.9	1.5	3.3%

*All returns are Holding Period Return.

^ Five years' return is not available for UPGDCL as they were not listed then.

Top Performing Mutual Funds:

The top ten open end mutual funds based on 3 year CAGR outperformed the market during the same period. Among them, CAPM Unit Fund (+5.7%) yielded the highest return. On YTD 2020 basis, Third ICB Unit Fund generated the most positive returns of +13.8% respectively.

Table 6: Top ten open end funds based on 3Y return (CAGR) performance

Name	Asset Management Company	Fund Size (USD mn)	Return		
			2020 YTD*	2019	2017-2019
CAPM Unit Fund	CAPM	1.5	4.4%	-7.3%	5.7%
VIPB Accelerated Income Unit Fund	VIPB	8.1	-3.1%	-4.6%	5.4%
Seventh ICB Unit Fund	ICB	4.3	2.9%	-7.8%	3.8%
ATC Shariah Unit Fund	ATCP AML	1.5	1.9%	-10.8%	3.2%
LankaBangla 1st Balanced Unit Fund	LankaBangla	4.7	4.3%	-8.0%	2.6%
Sixth ICB Unit Fund	ICB	2.9	3.2%	-8.4%	2.4%
MTB Unit Fund	Alliance	9.4	3.2%	-0.9%	1.7%
UFS-Popular Life Unit Fund	UFS	8.1	-1.1%	-9.0%	1.6%
Third ICB Unit Fund	ICB	3.6	13.8%	-8.2%	1.1%
Peninsula AMCL BDBL Unit Fund One	Peninsula	2.2	-0.1%	-7.7%	0.9%
Market (Broad Index) Return (%)			1.4%	-18.0%	-4.3%

*Based on published NAV and DSEX point of February 27, 2019

The top ten closed end mutual funds on the basis of 5 years (2015-2019) performance yielded mixed return on YTD basis. While, PHPMF1 (+0.3%), POPULAR1MF (+0.3%), AIBL1STIMF (+0.3%) and RELIANCE1 (+0.1%) posted positive returns, the rest yielded negative returns. All these funds are traded at a lucrative discount compared to their NAV. Besides, all the funds also offered higher dividend yields compared to market (Table 7).

Table 7: Top ten close end funds based on 5Y return (CAGR) performance

DSE Code	Fund	Fund Size (USD mn)	Price ¹ (BDT)	NAV ¹ (BDT)	Price/NAV	Dividend Yield ² (%)	NAV Return ³				Redemption Year ⁴
							2020 YTD	2019	2017-19	2015-19	
NLI1STMF	VIPB	7.1	10.8	12.1	89.6%	12.0%	-3.9%	-4.5%	5.0%	9.7%	2022
SEBL1STMF	VIPB	13.2	10.0	11.3	88.7%	12.0%	-3.8%	-4.4%	4.7%	8.7%	2021
ATCSLGF	ATC AML	7.8	8.3	10.7	77.6%	9.0%	-0.9%	-8.1%	4.1%	7.5%	2025
EBL1STMF	RACE	16.6	4.5	9.8	46.1%	6.7%	-1.7%	-5.0%	4.4%	6.8%	2029
PHPMF1	RACE	32.6	4.5	9.8	45.8%	6.7%	-1.2%	-3.5%	4.7%	6.2%	2030
RELIANCE1	AIMS	8.0	8.6	11.3	76.2%	11.6%	0.3%	-6.6%	3.8%	6.2%	2021
GRAMEENS2	AIMS	35.2	12.1	16.4	73.7%	7.4%	0.2%	-7.1%	4.5%	6.0%	2023
IJANATAMF	RACE	33.8	4.4	9.9	44.4%	6.8%	-1.6%	-4.0%	3.5%	5.8%	2030
POPULAR1MF	RACE	35.4	4.5	10.1	44.7%	6.7%	0.0%	-4.6%	3.8%	5.8%	2030
AIBL1STIMF	RACE	11.2	7.5	9.6	78.5%	10.7%	1.2%	-6.4%	2.1%	5.3%	2031
Market						3.3%	1.4%	-18.0%	-4.3%	-1.9%	

1 Price as of March 01, 2020, and NAV published on February 27, 2020.

2 On last cash dividend declared.

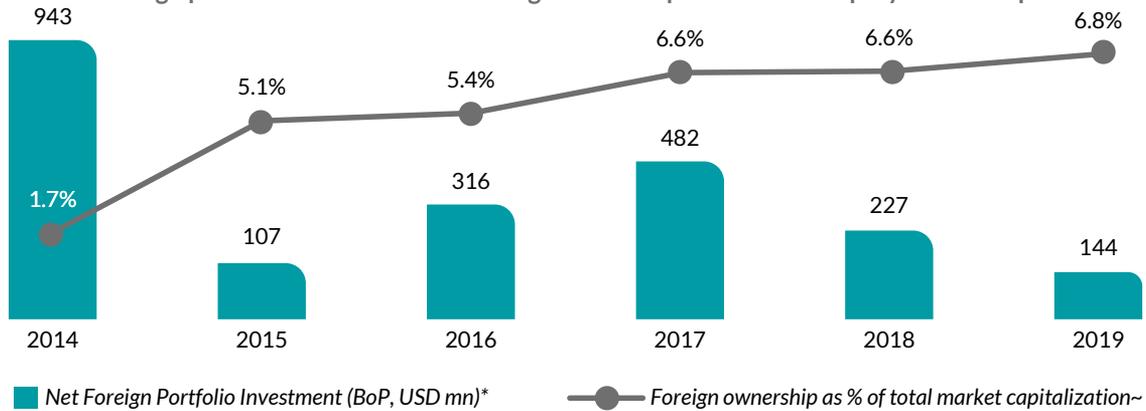
3 CAGR computed for respected periods, except for 2019 and 2020 YTD, adjusted for dividend. YTD returns of funds debuting within the year represent return generated since debut, hence is not directly comparable with return of funds that operated throughout the year.

4 In reference to BSEC Press Release বিএসইবিএস/মুখপত্র (০৪ খণ্ড)/২০১১/১৫ published on February 16, 2018, tenure of existing listed closed end mutual funds can be extended by another tenure equal to maximum 10 years, provided that the full tenure of the subject fund does not exceed 20 years in total. However, the mutual funds those are not willing to extend their tenure will still have the option to convert or wind up as per rules and regulations.

Foreign Participation in Equity Market of Bangladesh

Over last 5 years, Bangladesh equity market has seen a surge of foreign investment. As of January, 2020 total foreign ownership stood at 6.8% of the total equity market capitalization, which was only 1.7% in 2014.

Figure 4: Net foreign portfolio investment and foreign ownership as % of total equity market capitalization



Source: DSE and Bangladesh Bank

*Net portfolio investment data are as of December of the respective years. Year to date data for 2020 is yet to be published.

~% of foreign ownership of equity market capitalization data are as of December of the respective years, except 2020 (as of January).

Among all the companies with foreign ownership, BRACBANK had the highest foreign shareholding of 43.9% as of January 2020, followed by DBH with 42.0%.

Table 8: Top ten companies with highest foreign shareholding as of January 2020

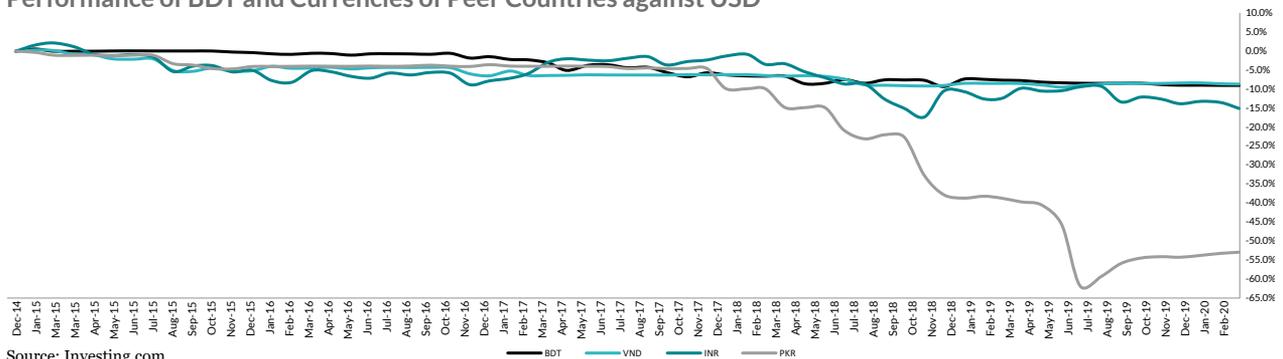
Ticker	Sector	Foreign Shareholding
BRACBANK	Bank	43.9%
DBH	NBFI	42.0%
OLYMPIC	Food & Allied	40.1%
BXPHERMA	Pharmaceuticals & Chemicals	36.5%
ISLAMIBANK	Bank	23.6%
RENATA	Pharmaceuticals & Chemicals	22.7%
MLDYEING	Textile	21.9%
SQURPHARMA	Pharmaceuticals & Chemicals	19.5%
SHEPHERD	Textile	19.4%
VFSTDL	Textile	18.3%

Source: DSE

Performance of BDT and Currencies of Peer Countries against USD

Since 2015, BDT retained its value better than majority of the currencies of peer countries. While BDT depreciated by 9.0% against US Dollar, other currencies of neighbor countries like Vietnamese Dong (VND), Indian Rupee (INR) and Pakistani Rupee (PKR) lost 8.7%, 15.1% and 52.9%, respectively.

Performance of BDT and Currencies of Peer Countries against USD



Source: Investing.com

ব্যবসা ছোট হোক বা মাঝারি
আপনার পাশে আছে

আইডিএলসি এসএমই লোন

