

## Capital Market Overview

The market closed in green this week. The benchmark index DSEX (+1.86%) gained 93.36 points and closed the week at 5,104.65 points. The blue-chip index DS30 (+1.23%) gained 21.37 points and stood at 1,761.60 points. The Shariah-based index DSES (+0.39%) gained 4.53 points and stood at 1,163.06 points. The large cap index CDSET (+1.59%) gained 16.18 points and closed at 1,032.42 points. DSEX, DS30, DSES and CDSET showed YTD returns of +14.64%, +16.40%, +16.33%, +14.74%, respectively.

**Total Turnover During The Week (DSE):** BDT 56.4 billion (USD 663.3 million)

**Average Daily Turnover Value (ADTV):** BDT 11.3 billion ( $\Delta\%$  Week: +6.4%)

**Market P/E:** 16.3x

### Daily Index Movement during the Week:

Market performed five sessions during this week. Market performed positively in the first session by 1.65% and reverted to negative in the second session by -0.04%. Market turned around again in the third session by +0.17% and continued to be positive in the fourth session by +0.32%. Market ended with a negative movement of -0.24% in the fifth session.

### Sectoral Performance:

- Financial sectors posted positive performance this week. General Insurance booked the highest gain of 8.88% followed by NBFIs (+4.28%), Banks (+3.60%), Life Insurance (+1.57%), and Mutual Funds (+0.84%).

- Non-financial sectors reported mixed performance this week, Food & Allied booked the highest gain of 9.07% followed by Power (+3.23%) and Engineering (+1.66%). Telecommunication booked the highest loss of 1.69% followed by Pharmaceuticals (-0.34%).

### Macroeconomic arena:

- Bangladesh's economy is expected to grow at a rate of 6.8% in the current fiscal year, recovering from the severe adverse impact of Covid-19 pandemic, Asian Development Bank (ADB) said on Tuesday. It, however, apprehended that this growth projection would not be achieved if the pandemic prolongs in Bangladesh or in its export destinations.

- Development expenditure dropped 10.18% year-on-year to BDT 50.97 billion in August as activities are yet to pick up because of the lingering coronavirus pandemic. August's spending from the government's annual development programme (ADP) was, however, 56.63% higher than what it was in July.

- Bangladesh's balance of payments (BoP) returned to the black in July on the back of a sharp decline in imports and a rise in remittance and exports. The BoP, which states all transactions made between one country and the rest of the world, stood at a deficit of USD 77 million in July last year. But it climbed to a surplus of USD 1.127 billion in the first month of the current fiscal year, data from the central bank showed. Similarly, the current account balance was USD 108 million in the negative in July last year, but it jumped to USD 1.965 billion in the positive in the same month this year.

### Stock Market arena:

- United Power Generation & Distribution Company Ltd has decided to acquire two power plants of the United Group subject to compliance of all related regulatory requirements. The board of directors of United Power has taken the decision to acquire 99% shares of United Anwara Power (UANPL), a 300 MW HFO fired power plant located at Anwara, Chattogram, at net asset value (NAV) based on the financial statements as on June 30, 2020 of (UANPL), effective on July 1, 2020. The board has also decided to acquire 99% shares of United Jamalpur Power (UJPL), a 115 MW HFO fired power plant located at Jamalpur, at net asset value (NAV) based on the financial statements as on 30th June 2020 of (UJPL), also effective on July 1, 2020.

- Runner Automobiles is going to set up a three-wheeler manufacturing plant in Bangladesh with the association of Indian automobile giant Bajaj Auto Ltd. The board of directors of Runner Automobiles is set to sign an agreement with the Indian company to set up the plant with a cost of BDT 3.0 billion.

- The Bangladesh Securities and Exchange Commission (BSEC) has approved the proposal of AFC Health Ltd for an Initial Public Offering (IPO) to raise BDT 170 million by issuing 17 million shares. AFC Health Ltd aims to bring healthcare facilities to the people of Bangladesh. The company provides Cardiology, Cardiothoracic Surgery, Dialysis, Psychiatry, Dietetics & Nutrition, Pharmacy and Ambulance services.

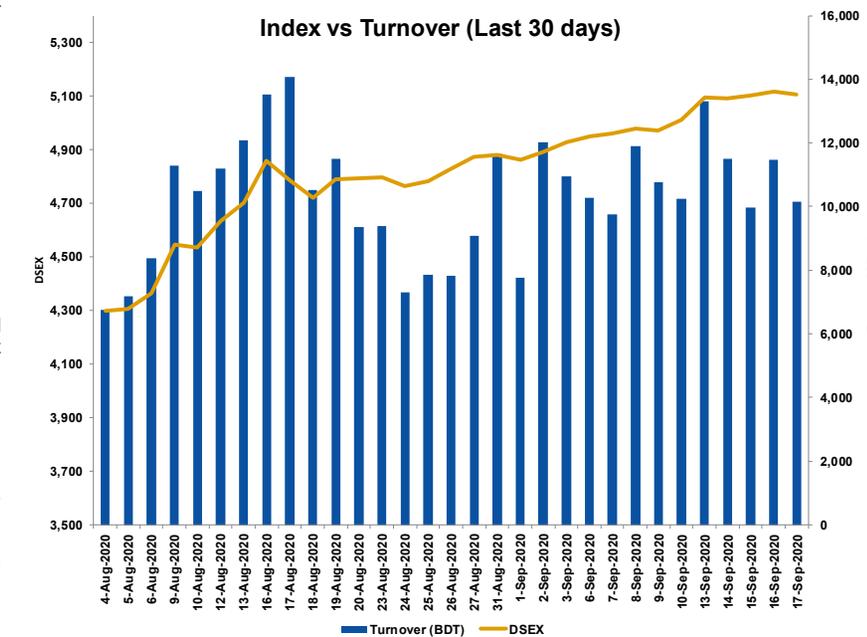
Table 1: Index

Index	Closing	Opening	$\Delta$ (Pts)	30-Dec-2019	$\Delta\%$ Week	$\Delta\%$ YTD
DSEX	5,104.65	5,011.30	93.36	4,452.93	1.86%	14.64%
DS30	1,761.60	1,740.23	21.37	1,513.35	1.23%	16.40%
DSES	1,163.06	1,158.53	4.53	999.83	0.39%	16.33%
CDSET	1,032.42	1,016.24	16.18	899.76	1.59%	14.74%

Table 2: Market Statistics

		This Week	Last Week	%Change
Mcap	Mn BDT	3,856,327.1	3,789,419.7	1.8%
	Mn USD	45,389.9	44,602.4	
Turnover	Mn BDT	56,353.3	52,948.0	6.4%
	Mn USD	663.3	623.2	
Average Daily Turnover	Mn BDT	11,270.7	10,589.6	6.4%
	Mn USD	132.7	124.6	
Volume	Mn Shares	2,082.8	1,849.4	12.6%

Figure 1: DSEX & Turnover in last four weeks



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**Table 3: Top Ten Gainers**

Company Name	Close	Open	Δ%	Mcap (mn BDT)	Vol (mn BDT)	P/E	P/B
Provati Insurance	52.00	29.60	75.7%	1,544.5	568.93	21.2x	3.1x
Keya Cosmetics	7	4.80	45.8%	7,716.2	254.62	20.9x	0.5x
C & A Textiles Limited	3.90	2.70	44.4%	933.3	78.05	5.1x	0.3x
International Leasing	7.60	5.30	43.4%	1,685.8	153.13	66.2x	0.6x
In Tech Online Ltd.	34.70	24.20	43.4%	1,086.8	138.12	15.7x	3.4x
Golden Son Ltd.	10.60	7.40	43.2%	1,820.3	43.74	NM	0.7x
BIFC	5.70	4.00	42.5%	573.9	3.20	NM	NM
Fareast Finance & Investment Limited	4.90	3.50	40.0%	803.9	26.68	NM	4.3x
BD Finance	22.50	16.20	38.9%	3,769.4	768.20	160.7x	1.5x
Asia Pacific General Insurance Co. Ltd.	42.90	31.40	36.6%	1,816.8	500.09	24.6x	2.6x

**Table 4: Top Ten Losers**

Company Name	Close	Open	Δ%	Mcap (mn BDT)	Vol (mn BDT)	P/E	P/B
Pragati Life Insurance	88.30	131.00	-32.6%	1,355.5	131.07	NM	8.8x
Savar Refractories	262.70	313.50	-16.2%	365.9	15.73	NM	41.8x
Shaympur Sugar	62.10	72.40	-14.2%	310.5	12.23	NM	NM
SEML FBLSL Growth Fund	9.70	11.20	-13.4%	707.6	42.82	NM	1.0x
Samata Leather	119.60	136.70	-12.5%	1,234.3	132.04	310.1x	8.3x
Dulamia Cotton	85.80	95.50	-10.2%	648.4	11.25	NM	NM
CAPM IBBL Islamic Mutual Fund	10.00	11.10	-9.9%	668.5	42.04	NM	1.0x
ICB AMCL First Agrani Bank Mutual Fund	7.10	7.80	-9.0%	696.9	14.51	NM	0.7x
SEML Lecture Equity Management Fund	7.20	7.90	-8.9%	360.0	25.66	NM	0.7x
Beximco Syntehtics	8.40	9.20	-8.7%	728.4	.00	NM	0.5x

**Table 5: Top Ten Most Traded Shares**

Company Name	Close	Open	Δ%	Mcap (mn BDT)	Vol (mn BDT)	P/E	P/B
Beximco Pharmaceuticals	114.60	120.70	-5.1%	46,476.8	1,989.30	13.6x	1.7x
Beximco Limited	25.40	27.60	-8.0%	22,258.5	1,497.48	23.5x	0.4x
BRAC Bank	44.10	40.00	10.3%	58,471.2	1,399.11	12.9x	1.3x
United Power Generation & Distribution Company Ltd	309.10	281.60	9.8%	162,894.4	1,080.49	22.7x	11.1x
Orion Infusion	87.10	76.90	13.3%	1,773.3	997.08	45.2x	7.3x
Delta Brac Housing	95.40	92.60	3.0%	14,705.2	997.06	15.4x	2.3x
Orion Pharma Ltd.	58.50	58.60	-0.2%	13,689.0	958.29	18.2x	0.8x
City Bank	26.00	21.60	20.4%	26,426.1	920.14	10.0x	1.1x
IFIC Bank	12.00	11.50	4.3%	19,438.5	917.31	6.7x	0.7x
Monno Ceramic	159.30	132.00	20.7%	5,723.3	827.29	NM	2.5x

**Table 8: Most Appreciated YTD in BRAC EPL Universe**

Top 10 Most Appreciated Stocks	Close	Δ% YTD	Mcap (mn BDT)	P/E
Beximco Pharmaceuticals	114.60	65.13%	46,476.8	13.6x
ACI Limited	264.90	45.95%	15,198.0	NM
MJL Bangladesh Limited	90.50	42.97%	28,666.1	15.6x
Bangladesh Steel Re-Rolling Mills Limited	68.50	40.37%	16,170.7	12.3x
Islami Bank	26.80	40.31%	43,147.7	7.8x
Baraka Power Limited	31.00	36.56%	6,821.9	13.2x
Lankabangla Finance	22.40	30.67%	12,070.0	23.4x
LafargeHolcim Bangladesh Limited	43.70	30.06%	50,752.0	28.2x
Glaxo Smithkline	2,272.00	29.36%	27,369.5	48.0x
The ACME Laboratories Limited	77.80	27.75%	16,462.6	11.6x

**Table 6: Sector Indices**

Sector Name	Week Close	Week Open	Year Open	%Δ Week	%Δ YTD
Banks	1399.65	1351.06	1319.28	3.60%	6.09%
NBFIs	1961.68	1881.21	1565.13	4.28%	25.34%
Mutual Funds	647.46	642.04	591.17	0.84%	9.52%
General Insurance	2656.82	2440.13	1927.02	8.88%	37.87%
Life Insurance	1943.40	1913.40	2194.70	1.57%	-11.45%
Telecommunication	4798.96	4881.46	3993.59	-1.69%	20.17%
Pharmaceuticals	3056.12	3066.65	2492.51	-0.34%	22.61%
Fuel & Power	1811.52	1754.88	1515.21	3.23%	19.56%
Cement	1397.52	1388.91	1132.29	0.62%	23.42%
Services & Real Estate	1076.23	1078.03	886.70	-0.17%	21.38%
Engineering	2562.59	2520.82	2257.22	1.66%	13.53%
Food & Allied	14788.38	13558.74	12121.49	9.07%	22.00%
IT	2326.40	2421.88	1823.13	-3.94%	27.60%
Textiles	1174.24	1149.71	1042.04	2.13%	12.69%
Paper & Printing	6550.95	6594.33	5233.20	-0.66%	25.18%
Tannery	1784.96	1769.87	1826.45	0.85%	-2.27%
Jute	11158.87	10772.28	11393.28	3.59%	-2.06%
Ceramics	489.90	452.92	459.10	8.16%	6.71%
Miscellaneous	2062.51	2062.27	1745.96	0.01%	18.13%

**Table 7: Sector Trading Matrix**

Sector Name	Daily average this Week	Daily average last week	% Change	% of Total Turnover	P/E	P/B
Banks	1,217.4	885.8	37.44%	11.07%	7.7x	0.8x
NBFIs	786.0	949.3	-17.20%	7.15%	167.3x	2.6x
Mutual Funds	155.1	162.1	-4.30%	1.41%	NM	0.5x
General Insurance	1,646.2	641.6	156.57%	14.97%	18.6x	1.7x
Life Insurance	195.1	63.6	206.63%	1.77%	NM	8.0x
Telecommunication	207.7	224.3	-7.40%	1.89%	13.8x	10.0x
Pharmaceuticals	1,531.0	2,018.3	-24.14%	13.92%	19.5x	2.7x
Fuel & Power	770.4	588.3	30.95%	7.01%	12.2x	2.1x
Cement	207.6	203.3	2.10%	1.89%	38.3x	2.6x
Services & Real Estate	149.6	165.7	-9.72%	1.36%	98.9x	0.9x
Engineering	1,239.2	1,204.7	2.86%	11.27%	18.1x	1.5x
Food & Allied	464.9	473.0	-1.72%	4.23%	26.7x	8.4x
IT	367.9	430.4	-14.53%	3.35%	20.5x	3.1x
Textiles	942.7	890.4	5.87%	8.57%	NM	0.9x
Paper & Printing	173.0	173.9	-0.52%	1.57%	263.1x	1.3x
Tannery	88.9	122.8	-27.60%	0.81%	26.9x	1.9x
Jute	49.3	60.6	-18.69%	0.45%	NM	5.1x
Ceramics	284.7	133.2	113.70%	2.59%	210.5x	1.9x
Miscellaneous	520.1	776.6	-33.03%	4.73%	24.3x	1.2x

**Table 9: Least Appreciated YTD in BRAC EPL Universe**

Top 10 Least Appreciated Stocks	Close	Δ% YTD	Mcap (mn BDT)	P/E
BRAC Bank	44.10	-16.97%	58,471.2	12.9x
Eastern Cables	170.10	-14.61%	4,082.4	NM
Golden Harvest Agro Industries Ltd.	18.40	-6.12%	3,971.4	13.4x
Unique Hotel & Resorts Limited	41.80	-4.78%	12,305.9	28.1x
Delta Brac Housing	95.40	-4.02%	14,705.2	15.4x
Heidelberg Cement	158.40	-3.88%	8,950.2	NM
Linde Bangladesh Limited	1,260.60	-2.96%	19,184.2	15.2x
Prime Bank	17.70	-2.75%	20,041.4	11.7x
Shahjalal Islami Bank	21.70	-2.63%	21,268.0	11.9x
Mutual Trust Bank	24.70	-2.13%	16,505.9	12.2x

## Important News: Business & Economy

### GDP to grow 6.8% in FY'21, projects Asian Development Bank (ADB)

• Bangladesh's economy is expected to grow at a rate of 6.8% in the current fiscal year, recovering from the severe adverse impact of Covid-19 pandemic, Asian Development Bank (ADB) said on Tuesday. It, however, apprehended that this growth projection would not be achieved if the pandemic prolongs in Bangladesh or in its export destinations. The growth reflects gradual recovery, supported by a strong manufacturing base and strengthening of growth in export destinations, according to the Asian Development Outlook (ADO) 2020 Update.

• The country's gross domestic product (GDP) growth forecast is 1.4% points lower than the government's target of 8.2% for the FY2021. Its GDP grew at 5.24% in the last FY, according to a provisional estimate. However, the ADB has provided a far better outlook on Bangladesh's economy than that of the World Bank, which drew a grim picture for the FY'21. The WB also said the South Asian economy could grow at only 1.0% rate as it is hit hard by the pandemic. The recent projection by the International Monetary Fund (IMF) on Bangladesh's GDP growth at 5.7% for the FY'21 was also less than that of the ADO 2020 Update.

<https://today.thefinancialexpress.com.bd/first-page/gdp-to-grow-68pc-in-fy21-projects-adb-1600191302>

<https://www.thedailystar.net/business/news/economy-path-gradual-recovery-1962065>

<https://tbsnews.net/economy/adb-forecasts-68-percent-growth-bangladesh-current-fiscal-133039>

<https://www.dhakatribune.com/business/economy/2020/09/15/adb-bangladesh-gdp-to-grow-by-6-8-in-fy21>

### Annual Development Programme (ADP) spending dips in August

• Development expenditure dropped 10.18% year-on-year to BDT 50.97 billion in August as activities are yet to pick up because of the lingering coronavirus pandemic. August's spending from the government's annual development programme (ADP) was, however, 56.63% higher than what it was in July. Ministries and divisions managed to expend only BDT 32.54 billion in the first month of the fiscal year. ADP spending in August last year was BDT 56.75 billion. The combined development expenditure in the July and August period stood at BDT 83.51 billion, accounting for 3.89% of the BDT 2.14 trillion set aside to carry out development activities in 2020-21.

• Despite the significant reopening of the economy from the two-month long countrywide lockdown in June, development activities have not yet gained momentum as the deadly virus is not showing any signs of abating. The power division was the top performer in the first two months of the fiscal year as it spent BDT 13.22 billion.

<https://www.thedailystar.net/business/news/adp-spending-dips-august-1962673>

### Balance of Payments (BoP) returns to black

• Bangladesh's balance of payments (BoP) returned to the black in July on the back of a sharp decline in imports and a rise in remittance and exports. The BoP, which states all transactions made between one country and the rest of the world, stood at a deficit of USD 77 million in July last year. But it climbed to a surplus of USD 1.127 billion in the first month

of the current fiscal year, data from the central bank showed. Similarly, the current account balance was USD 108 million in the negative in July last year, but it jumped to USD 1.965 billion in the positive in the same month this year.

• There has been a major change in the balance of payment in July, signaling both strengths and weaknesses in the economy, said a former lead economist at the World Bank's Dhaka office. He said the current account registered a surplus of nearly USD 2 billion. This was due to the sharp decline in the trade deficit and a significant spike in remittances. As a result, the overall balance had a surplus exceeding USD 1.1 billion despite a deficit in the financial account. This contributed to an increase in official foreign exchange reserves as Bangladesh Bank purchased dollars to prevent exchange rate appreciation.

<https://www.thedailystar.net/business/news/bop-returns-black-1959381>

### Cards triumph amid pandemic

• Debit card users transacted a record BDT 181.23 billion in July as they opted for the digital money over cash to keep the coronavirus at bay. The transaction is the highest at least since December 2018, Bangladesh Bank data showed. July's figure is 29.08% higher than BDT 140.40 billion transacted in the same month a year ago and 44.66% up from BDT 125.28 billion in June this year. In the first month of the fiscal year, credit card-holders spent BDT 12.52 billion, which was the highest in six months and up 19.49% year-on-year.

• Their spending stood at BDT 8.98 billion in June this year and BDT 10.48 billion in July last year. Though restrictions have been easing off since June, both debit and credit card-holders have still been relying on digital money to pay for goods and services owing to the persisting coronavirus pandemic. July was a good month. Eid was a factor as the religious festival was celebrated at the end of the month, said the country manager for Mastercard. For the card business, April was the worst month. It recovered a bit in May and made a moderate comeback in June.

• For the card business, April was the worst month. It recovered a bit in May and made a moderate comeback in June. In July, the card business has returned to almost the February level. It can be said it was a turning point, the country manager for Mastercard added. A significant portion of the card business is international transaction but that has been largely non-existent since April because of the pandemic.

<https://www.thedailystar.net/business/news/cards-triumph-amid-pandemic-1962681>

### Mobile handset assembling in country rises by 7 million units in FY20

• Mobile handset assembling in the country increased by 87% or around 70 lakh units in the last fiscal year of 2019-2020 compared with that in the previous fiscal year. According to the government data, 1.5 crore mobile handsets were assembled locally in FY20 against 80 lakh handsets in FY19. Officials of mobile handset assembling entities said that the government's policy support along with growing public appetite for using handsets was the major reason for the increased mobile handset assembling.

• The Bangladesh Telecommunication Regulatory Commission has so far granted registration to 11 entities to assemble and manufacture handsets in the country. Of the entities, 10 companies have already started assembling handsets. In FY20, the entities

manufactured 9.47 million units of bar phone also known as feature phone, 0.92 million units of 3G-enabled smartphone and rest 5.75 million units of 4G-enabled smartphone. At present, imported handsets are subject to 32% tax while the tax rate is 17% on locally assembled ones and 5% on locally manufactured handsets.

<https://www.newagebd.net/article/116440/mobile-handset-assembling-in-country-rises-by-70-lakh-units-in-fy20>

### **Bank deposit growth rises to 11.4% in July**

- The growth in deposits in the country's banking sector increased to 11.4% in July, the first month of the current fiscal year, when people started returning to their regular activities defying the coronavirus-induced risks. The rise in deposit growth came after a consistent decline in growth from February this year. The growth stood at 11.4% in July from 10.61% in the previous month, showed a Bangladesh Bank data released on Tuesday. In January this year, the growth in bank deposits was the highest, 12.9% , in the fiscal year 2019-2020.
- Even though the impact of the coronavirus outbreak was intense in July, the disbursement of loans to the businesses, as part of the implementation of the government-announced stimulus packages, and gradual restoration of trade and investments after the withdrawal of countrywide shutdown were the two major factors behind the improvement in deposit growth in the banking system, said bankers. The deposit growth rate was 11.88% in April this year, but the rate declined in May and June to 11.36% and 10.61% respectively.
- The deposit growth increased in July as savers returned to banks after the countrywide shutdown was withdrawn on May 30, said the Standard Bank managing director and chief executive officer. He said that still savers had no option but banks to park their deposits. Although the present situation on the country's stock market has changed positively but it will take time to restore the confidence of investors. As a result, banks are the ultimate goal for servers even though the interest rate is on the decline, he added.

<https://www.newagebd.net/article/116351/bank-deposit-growth-rises-to-114pc-in-july>  
<https://www.dhakatribune.com/business/banks/2020/09/15/banks-deposit-growth-rises-in-july>

### **No of accounts, amount of deposits rise in Apr-June**

- The number of bank accounts with more than BDT 10 million in deposits increased by 3,412 to 86,037 in the April-June quarter this year, when the coronavirus outbreak-induced economic shock was the most intense, compared with the number of such accounts in the previous quarter. The amount of deposits in such accounts also rose by BDT 253.12 billion during the period, according to a Bangladesh Bank report released on Monday. A former interim government adviser said that even though the overall deposit growth has dropped in recent times, the amount of deposits in such accounts has increased as the businesses refrained from making fresh investments. A fall in imports after the outbreak of coronavirus was also a reason for the increased deposits in those accounts of the businesspeople as they found no alternative investment scope, he said.
- Considering the number of bank accounts in the country's banking sector, such accounts represent 0.077% of the 111.7 million bank accounts. Their share in the total BDT 12.64 trillion bank deposits increased to 42.81% at the end of June this year against 42.62% of BDT 12.10 trillion three months earlier.

<https://www.newagebd.net/article/116253/no-of-accounts-amount-of-deposits-rise-in-apr-june>

### **Bond sales losing steam**

- Bangladesh's bond market is under-performing as sales of major such debt instruments are on the declining trend, officials said on Monday. The bond sales by banks to the clients fell in fiscal year (FY) 2019-20 compared to the last couple of years, they said. Economists, bankers and buyers said the complex purchasing procedure, the absence of promotional activities and marketing and the lack of confidence are mainly hampering the growth in the country's bond market.
- Among Bangladesh's bonds, the Wage Earners' Development Bond (WEDB), US Dollar Premium Bond (DPB) and US Dollar Investment Bond (DIB) are the major. According to the Bangladesh Bank (BB) data, the total sales of three major savings bonds in FY2020 was BDT 16.20 billion, 14.15% lower than BDT 18.87 billion sold in FY2019. The sales of the bonds were even higher in FY2018 when the buyers bought bonds worth BDT 22.70 billion, the central bank said.
- The central bank sells the three bonds among the non-residents Bangladeshis (NRBs) and their nominated persons through the authorized branches of different banks. The NRBs can buy the bonds through their earnings abroad.
- A renowned economist said the lack of marketing and promotions among the NRBs is the key obstacle to the growth of the Bangladeshi bonds. Besides, complex purchasing procedure, the limited selling agents abroad and USD exchange rate risk are the major challenges for promoting the bonds, he added. Senior country officer of the International Finance Corporation (IFC) said that it is difficult to grow the country's bond market with only three bonds among specific and limited customers.

<https://today.thefinancialexpress.com.bd/last-page/bond-sales-losing-steam-1600105222>

### **Motorbike business revives shaking off pandemic sloth**

- Motorbike business in the country, after facing a setback following spread of the Covid-19 pandemic, has started picking up again since June due to resumption of normal traffic and other economic activities, sector insiders have said. They said the first three months of the pandemic - March, April and May - were quite frightening for the motorbike industry. But it started reviving in the later months, following a buying spree of people, who want to avoid public transport amid the pandemic. Consequently, the two-wheeler assemblers and manufacturers changed their previous projection of counting a huge loss, thanks to the country's gradual economic recovery.
- Sales of motorbikes are still not dynamic like the previous years. Still, we are more confident now than the past few months, said the president of Motorcycle Manufacturers and Exporters Association of Bangladesh (MMEAB). He also said their sales were almost nil from mid-March to May, but after the government's decision to reopen economy on May 10, motorcycle showrooms have started seeing customers.
- The two associations of the motorcycle assembling and manufacturing sector - MMEAB and Bangladesh Motorcycle Assemblers & Manufacturers Association (BMAMA) - on May 5 predicted a loss of BDT 6.0 billion due to reduction in sales during the pandemic. During June and July, motorcycle trading became quite normal, as many conscious people bought

two-wheelers to avoid public transport and maintain social distancing to keep coronavirus infection away, the MMEAB president noted.

<https://today.thefinancialexpress.com.bd/trade-market/motorbike-business-revives-shaking-off-pandemic-sloth-1600012144>

### **Banks' deposits swell**

- Deposits at banks rose 10.49% year-on-year to BDT 13.05 trillion in the last fiscal year on the back of tightening of rules around national savings certificates, record flow of remittance and rebounding economic activities. State-run commercial banks' deposit climbed 8.22% to BDT 3.25 trillion at the end of June when 40 private commercial banks had a combined deposit of BDT 8.86 trillion, up 11.25% year-on-year.

- Experts and exporters also said that possibly Bangladesh's export earnings from RMG would rebound but not in the near term as the second wave of the pandemic had started to create problems on the demand side. Orders received in April and May were produced by exporters in June, July and August due to the pandemic, said the Policy Research Institute of Bangladesh executive director. He said that the world economy was still recovering and they were cautiously optimistic about the rebound in export growth in the coming months.

- He, however, thought that it would take time for that to happen until a vaccine came as the second wave of the pandemic was hurting demand in some countries, including the United Kingdom, France and Spain. He hoped that the world might get a solution to COVID19 in the early part of next year and then exports would pick up. Bangladesh Garment Manufacturers and Exporters Association former vice-president said that the export earnings might fall in September and October compared to July and August as the buyers had placed 20% less orders than last year.

<https://www.newagebd.net/article/116057/rmg-exporters-experts-cautiously-optimistic>

### **Banks' April-June industrial term loan recovery drops by 57%**

- Recovery of industrial term loans dropped by 56.88% or BDT 134.41 billion in the last quarter of the fiscal year 2019-2020 compared to the corresponding period in the previous fiscal year. In the April-June quarter of FY20 when business and economic activities were almost cut by half due to the coronavirus outbreak, industrial term loans recovered plunged to BDT 101.88 billion from BDT 236.29 billion in the same quarter of FY19, showed a Bangladesh Bank statement.

- Nine foreign banks accumulated a base of deposit of BDT 614.82 billion, which is 13.55% higher than in June last year, central bank data showed. The managing director of Pubali Bank, said a robust growth of remittance contributed to the healthy growth of deposits. People received more money in the form of remittance in recent months but they have not spent all of them because of the coronavirus pandemic. They saved the money, said he added. Remittance hit an all-time high of USD18.2 billion in the just-concluded fiscal year.

- Bank Alfalah Bangladesh, a foreign lender based in Pakistan, pulled off the highest 44.33% deposit growth last year, totalling BDT 11.72 billion. Local lender Union Bank's deposit grew 29.51% to BDT 131.39 billion at the end of the last fiscal year while Shimanto Bank's deposit expanded by 29.39% to BDT 12.09 billion.

<https://www.thedailystar.net/business/news/banks-deposits-swell-1960765>

<https://www.newagebd.net/article/116174/hard-core-poor-bank-deposits-drop>

### **E-commerce shines as people opt for online shopping**

- The coronavirus outbreak has given a boost to the e-commerce business in the country with the total size of e-commerce surging to BDT 166.16 billion in eight months of this year. The market size was BDT 131.84 billion in 2019. E-commerce businesses said that the COVID-19 outbreak had changed habits and lifestyles of consumers, creating new opportunities for the country's e-commerce market. They said that a segment of consumers who had never thought of using online services for their daily needs were now enjoying such services on the platforms.

- Due to the coronavirus outbreak, consumers' awareness and understanding of the benefits of online shopping have built up that we couldn't do in the last five years,' E-commerce Association Bangladesh vice-president. The government enforced shutdown from March 25 to May 30 to check the spread of COVID-19 in the country that caused widespread store closures and stay-at-home orders. During the shutdown, a number of businesses had replaced their in-person sales with digital platforms, industry people said.

- They said that e-commerce businesses mostly with essential commodities, groceries and hygiene products had saw a jump in business, but the others struggled during the period. Demand for essentials, groceries and medicines increased drastically, but that for other products like cosmetics and fashions reached rock bottom during the shutdown. Demand for luxurious products is yet to be normal despite reopening of economic activities.

<https://www.newagebd.net/article/116175/e-commerce-shines-as-people-opt-for-online-shopping>

### **Record USD 922 million remittance inflow in first ten days of September**

- Inward remittance has registered a big jump in the first 10 days of the current month, with expatriates sending home USD922 million through the banking channel during the time. The figure was 72.65% higher than USD534 million during the same time in September last year, according to data from the central bank. The country raked in USD572 million in remittance in the first 10 days of August. On July 1-9, expats sent home USD746 million, and the whole month's remittance receipt was USD2.6 billion, which was the single month's highest inflow in the history.

- In August, the country received USD1.96 billion in remittance. During the first two months of the current fiscal year, USD4.56 billion in remittance arrived, which was 50% higher than the figure in the same period of the fiscal year 2019-20. In the last fiscal year, the country received USD18.20 billion. Riding on remittances, the country's foreign exchange reserve has recently increased to USD39 billion. Recently Fitch Ratings Inc, a US-based credit rating agency, forecasts that the annual remittance inflow for five Asian countries – Bangladesh, India, Pakistan, Sri Lanka and the Philippines may drop by 12% on an average, a threat of losing a sizeable amount of remittance earnings this year due to the Covid-19 pandemic.

<https://tbsnews.net/economy/record-922m-remittance-inflow-first-ten-days-september-132424>

### School banking thrives amid pandemic

- During April-June this year, students opened over 0.1 million bank accounts. This brought the total number of school banking accounts to 2,431,602, according to the Bangladesh Bank data. And 60.82% of the accounts were opened in the urban areas and 39.18% are in the rural ones. The number of such accounts in the rural and urban areas grew by 6.04% and 3.37% during April-June this year. And total deposit in school banking marked a 2.21% rise in the June quarter – to BDT 17.63 billion – from BDT 17.24 billion in the March quarter.
- And the number of school banking accounts grew by 4.40 % during the quarter. Due to the Covid-19 pandemic lockdown measures, the growth in school banking accounts and deposits slowed down in June compared to the previous quarter, the central bank officials said. Since mid-March, all academic activities have come to a halt. The government extended the time of educational institution closure until October 3 this year to contain the spread of Covid-19. However, the year-on-year comparison showed significant growth in school banking.
- The number of accounts and amount of deposits increased by 435,572 or 21.82% and BDT 2.68 billion or 17.96% in June 2020 compared to June 2019. They opened 1,678,889 accounts – 69.05% of the total school banking accounts – and collected deposits of BDT 14.66 billion – 83.17% of overall school banking deposits.

<https://tbsnews.net/economy/banking/school-banking-thrives-amid-pandemic-132433>

### Agent banking on a roll

- Overall deposits with agent banking accounts doubled in July compared to the same period a year ago as more and more people are keeping faith with the new banking model. Deposit balance stood at BDT 52.51 billion in July last year and it rose to BDT 107.88 billion in the same month this year, Bangladesh Bank data shows. Loan disbursement increased by 220% to BDT 949 million in the same period while utility bill payments were up 23.45% to BDT 937 million.
- The number of agents jumped by 47.75% year-on-year to 9,180 in July while the total number of outlets reach 12,861 at the end of July this year, up 44.91% compared to the same month a year ago, central bank data shows. As of July, there were 76,85,990 agent banking accounts in Bangladesh, which is 115% higher than in the same month last year.

<https://www.thedailystar.net/business/news/agent-banking-roll-1960457>

### Pandemic may cast a pall on FDI

- The rising trend in foreign direct investment (FDI) for Bangladesh may slow down this year due to the economic fallout of the coronavirus outbreak, experts believe. The total value of FDIs made across the globe will witness a 20% fall by the end of 2020 because of the emergence of the deadly contagion, according to a projection of the United Nations Conference on Trade and Development. The Covid-19 outbreak will slow the rate of investment in general, but it will be particularly detrimental to FDIs as foreign investors are worried about the health risks, said the research director at the Centre for Policy Dialogue. Investors who were previously keen to invest in Bangladesh may reconsider their plans due to the recent economic uncertainty brought on by the pandemic as well, he said.

- Foreign investment in Bangladesh fell over 40% year-on-year to around USD 2.15 billion

in the January-September period in 2019, according to Bangladesh Bank data. Of the USD 2.15 billion, USD 602.79 million went to equity, USD 999.78 was for reinvested earnings and the remaining USD 551.29 million was in intra company loans. However, it is worth mentioning that FDIs worth USD 2.58 billion came to Bangladesh in fiscal year 2017-18, which jumped to USD 3.88 billion in the next fiscal year, registering a 50.71% increase, according to Bangladesh Bank data. Since achieving independence in 1971, Bangladesh has received a total of USD 17.31 billion in FDIs, the central bank data shows.

<https://www.thedailystar.net/business/news/pandemic-may-cast-pall-fdi-1959409>

### Ceramic industry takes a hit from pandemic

- The Covid-19 pandemic has dealt a severe blow to the country's ceramic goods manufacturing industry, which had been showing a remarkable prospect in the recent years. The industry is now struggling to survive despite the resumption of economic activities lately, industry insiders have said. Weak demand for all sorts of ceramic products in domestic and international markets, supply chain disruption, and persistent sluggishness in other associated sectors, particularly the real estate, are blamed for the situation.
- Though the sales volume of ceramic products is gradually increasing, still it is well below the desired level, traders said. The manager of Classic Centre - a ceramic tableware distribution outlet in the city's Elephant Road area, said their sales volume is still very low compared to the pre-Covid period. The Export Promotion Bureau (EPB) data revealed that Bangladesh's export earnings from all sorts of ceramic products shrank by 59.45% to USD 27.97 million in the fiscal year (FY) 2019-20, from USD 68.97 million of the previous FY.

- The sector registered a hefty growth of 32.79% in FY 2018-19 from USD 51.94 million in FY 2017-18. Because of the popularity of Bangladeshi ceramic items abroad, the Bangladesh Ceramic Manufacturers and Exporters Association (BCMEA) had expected to earn USD 1.0 billion through export. Bangladesh has become nearly self-reliant in producing ceramic products from an import-dependent nation just two decades ago.

<https://today.thefinancialexpress.com.bd/public/first-page/ceramic-industry-takes-a-hit-from-pandemic-1599843914>

### State enterprises hand govt BDT 167.46 billion of their surplus funds

- State-owned enterprises have deposited BDT 167.46 billion to the national exchequer since laws were passed in the beginning of the year to make it mandatory for them to hand over the idle and surplus funds to the government. In Bangladesh, there are 68 state-owned autonomous organizations, which hold BDT 2.12 trillion in combined deposits in banks. The corporations have kept the money as deposit or investment. According to the new law, the surplus funds have to be deposited to the state coffer after keeping aside the operational cost, additional 25% of the operational cost as emergency funds, money for general provident fund and pension. The respective organization would estimate its operational cost. The agencies will have to deposit the funds within three months after a fiscal year comes to an end.

<https://www.thedailystar.net/business/news/state-enterprises-hand-govt-BDT-16746cr-their-surplus-funds-1959413>

### Five banks hold 60% shares of total remittance earnings

- Five banks hold nearly 60% shares of the total inbound remittance in the April-June quarter of this year owing to their strong distribution networks and good management that attracted much of the Bangladeshi diaspora. Bangladeshi expatriates sent USD 4.43 billion in remittances during the second quarter (April-June) of 2020, according to a report of the Bangladesh Bank (BB). The figure was 2.6% lower than in the same quarter of the previous year owing to the coronavirus pandemic.
- Of the total, Islami Bank Bangladesh had the highest, or 30.10% of market shares of the total remittance earned through banking channels. Besides, Dutch Bangla Bank holds 9.6% in market shares, Agrani Bank holds 8.4%, Sonali Bank holds 7.9% and Bank Asia holds 3.8% in market shares of the total remittance earnings during the second quarter of this year, as per BB report on Remittance Earnings. Strong distribution channels, good management and incentives were the key reasons behind holding the major market shares of the remittance earnings by the top five banks, said a high official of the Bangladesh Bank.
- Agent banking in rural areas has been a bridge between Bangladeshi expatriates and their relatives in the matter of sending their income home amid the pandemic, he added. The amount of inward remittances through agent banking rose to BDT 266.50 billion at the end of June this year. The top five remittance earning banks have many agent outlets in rural areas, which made them the top remittance earning banks, another BB official has said.

<https://www.dhakatribune.com/business/banks/2020/09/10/five-banks-hold-60-shares-of-total-remittance-earnings>

### 10% tax imposes on reinvestment of 5 year NSC over BDT 0.5 million

- Profit along with principal would be treated as a fresh investment in case of auto reinvestments in five-year national saving certificates (NSC) and the applicable source tax will be determined based on the invested amount, according to the Bangladesh Bank. For auto reinvestment of five-year national saving certificates, source tax at the rate of 10% would be deducted if investments exceed BDT 0.5 million for any payment after July 1, 2019. In case of investments not exceeding BDT 0.5 million, source tax would be deducted at the rate of 5%.

<https://tbsnews.net/economy/stock/capital-market-be-digitally-transformed-2021-132037>

### RMG exporters, experts cautiously optimistic

- The country's readymade garment exporters and economists said that they were cautiously optimistic about the positive growth of export earnings in the coming months as Bangladesh was yet to overcome the impact of the coronavirus outbreak. Although the world economy is recovering, it might take more time for exports to rebound as the second wave of the pandemic has started causing further damage to businesses in some European countries, they said.
- Experts and exporters also said that possibly Bangladesh's export earnings from RMG would rebound but not in the near term as the second wave of the pandemic had started to create problems on the demand side. Orders received in April and May were produced by exporters in June, July and August due to the pandemic, said the Policy Research Institute

of Bangladesh executive director. He said that the world economy was still recovering and they were cautiously optimistic about the rebound in export growth in the coming months.

- He, however, thought that it would take time for that to happen until a vaccine came as the second wave of the pandemic was hurting demand in some countries, including the United Kingdom, France and Spain. He hoped that the world might get a solution to COVID19 in the early part of next year and then exports would pick up. Bangladesh Garment Manufacturers and Exporters Association former vice-president said that the export earnings might fall in September and October compared to July and August as the buyers had placed 20% less orders than last year.

<https://www.newagebd.net/article/116057/rmg-exporters-experts-cautiously-optimistic>

### Import ban on used cars to leave the market uneven

- The government's plan to impose a ban on the import of reconditioned vehicles to promote local manufacturing and assembling will create an imbalance in the domestic market, according to Bangladesh Reconditioned Vehicles Importers and Dealers Association (Barvida). Manufacturing cars in Bangladesh would be a matter of national pride and Barvida encourages this initiative, said the president of the association. But the government should give priority to the choice of customers before going for such a ban as 85% of the passenger cars in Bangladesh at present are imported reconditioned vehicles, he said. The proposed policy will destroy competition between the importers of reconditioned and brand-new cars, he said.
- An immediate ban on import of reconditioned cars would be a suicidal step for the government as it directly earns at least BDT 40 billion in revenue from import duties alone, secretary general of Barvida said. Over the past three years, about BDT 200 billion has been invested in the sector, which created at least 30,000 direct employments.

<https://www.thedailystar.net/business/news/import-ban-used-cars-leave-the-market-uneven-1960449>

### After a massive meltdown, ice cream industry hopes for a recovery next year

- With only one month left of the current season, ice cream sales have seen some spikes, though not enough to make the major players optimistic about a turnaround until next year. Ice cream is a seasonal product in Bangladesh, and the peak sales period of this summer staple is from March to September. This time around, the ongoing pandemic has ruined the entire business of this frosty dessert, putting the growing industry in a tight corner.
- According to a recent study by LankaBangla Investment Limited, the market size of the ice cream industry in the country is BDT 12 billion and the market is growing fast at a rate of 15% every year. Abdul Monem Limited's Igloo is the foremost market player holding 38% market share in the ice cream industry, followed by Dhaka Ice Cream Industries Limited's Polar Ice Cream (28%) and Kazi Food Industries Limited's Za'n Zee and Bellissimo (13%). The cumulative market share of other brands is 21%, according to the study.

<https://tbsnews.net/economy/industry/after-massive-meltdown-ice-cream-industry-hopes-recovery-next-year-131722>

## Important News: Capital Market

### United Power Co to acquire two plants

- United Power Generation & Distribution Company Ltd has decided to acquire two power plants of the United Group subject to compliance of all related regulatory requirements. The board of directors of United Power has taken the decision to acquire 99% shares of United Anwara Power (UANPL), a 300 MW HFO fired power plant located at Anwara, Chattogram, at net asset value (NAV) based on the financial statements as on June 30, 2020 of (UANPL), effective on July 1, 2020.
- The board has also decided to acquire 99% shares of United Jamalpur Power (UJPL), a 115 MW HFO fired power plant located at Jamalpur, at net asset value (NAV) based on the financial statements as on 30th June 2020 of (UJPL), also effective on July 1, 2020. These acquisitions are subject to compliance of all related regulatory requirements, including approval of the shareholders, according to an official disclosure on Wednesday. The company will hold an extraordinary general meeting (EGM) on October 28 at 11:00am through digital platform for getting shareholders approval. The record date for EGM is on October 6.
- The United Power also acquired majority shares of United Ashuganj Energy (UAEL), a company having generation capacity of 195 MW power and 53 MW power generation plant (gas based) located at Ashuganj belonging to the United Energy Ltd. (UEL) last year. The United Power's consolidated earnings per share (EPS) stood at BDT 8.94 in nine months for July 2019-March 2020 which was BDT 11.71 for July 2018-March 2019.

<https://today.thefinancialexpress.com.bd/stock-corporate/united-power-co-to-acquire-two-plants-1600271739>  
<https://www.thedailystar.net/business/news/united-power-acquire-two-sister-concerns-1962661>  
<https://www.dhakatribune.com/business/stock/2020/09/16/united-power-generation-to-acquire-two-more-plants>  
<https://tbsnews.net/economy/stock/united-power-acquire-2-power-plants-united-group-133942>

### Runner, Bajaj to set up 3-wheeler plant in Bangladesh

- Runner Automobiles is going to set up a three-wheeler manufacturing plant in Bangladesh with the association of Indian automobile giant Bajaj Auto Ltd. The board of directors of Runner Automobiles is set to sign an agreement with the Indian company to set up the plant with a cost of BDT 3.0 billion. Under the agreement, Runner will manufacture and distribute Bajaj's RE 4S 3-wheeler in Bangladesh and will take necessary technical support for localisation of parts and components, assembling and manufacturing of vehicles from Bajaj Auto. This will be the first ever three-wheeler manufacturing set-up of a globally known brand in Bangladesh, according to an announcement Dhaka Stock Exchange (DSE) website on Wednesday.

<https://today.thefinancialexpress.com.bd/stock-corporate/runner-bajaj-to-set-up-3-wheeler-plant-in-bangladesh-1600272100>  
<https://www.thedailystar.net/business/news/runner-ties-bajaj-make-three-wheelers-1962685>  
<https://www.dhakatribune.com/business/stock/2020/09/16/runner-bajaj-to-build-3-wheeler-manufacturing-plant-in-bangladesh>

<https://tbsnews.net/companies/runner-invest-BDT300cr-manufacture-bajaj-three-wheelers-133948>  
<https://www.newagebd.net/article/116442/runner-bajaj-tie-up-to-manufacture-3-wheelers-in-bangladesh>

### Two lots of Bangladesh origin drugs recalled in US

- Two lots of a diabetes controlling drug of Bangladesh origin were recalled in the US last month for containing a compound that has the potential to cause cancer. The drugs were manufactured by Beximco Pharmaceuticals in Bangladesh, to be marketed in USA by Bayshore Pharmaceuticals, LLC, located in the state of New Jersey. On August 20, the Federal Drug Administration of United States announced that Bayshore is recalling two lots of the drug called Metformin Hydrochloride Extended-Release because the drugs contained a carcinogenic compound called NDMA.
- Beximco Pharmaceuticals said NDMA came to be in their drug from an impurity in the raw material. Our scientists have confirmed that the problem is not related to our formulation or manufacturing process but highly likely to be linked to the API [the raw material] or its manufacturing process, said the chief operating officer of the company. We source the API from a company called Wanbury Ltd in India. Perhaps the NDMA was formed during the purification process, he added. However, while the FDA came down on NDMA and Beximco recalled their products internationally, the Directorate General of Drug Administration is yet to make a decision about the local market, which contains 427 registered formations of Metformin Hydrochloride.

<https://www.thedailystar.net/backpage/news/two-lots-bangladesh-origin-drugs-recalled-us-1959813>

### Bangladesh Securities and Exchange Commission (BSEC) approves AFC Health's initial public offering

- The Bangladesh Securities and Exchange Commission (BSEC) has approved the proposal of AFC Health Ltd for an Initial Public Offering (IPO) to raise BDT 17 crore by issuing 1.70 crore shares. AFC Health Ltd aims to bring healthcare facilities to the people of Bangladesh. The company provides Cardiology, Cardiothoracic Surgery, Dialysis, Psychiatry, Dietetics & Nutrition, Pharmacy and Ambulance services.

<https://tbsnews.net/economy/stock/bsec-approves-afc-healths-initial-public-offering-133936>  
<https://www.newagebd.net/article/116441/bsec-okays-afc-healths-BDT-17cr-ipo>

### Rights subscription of Pragati Life begins Sept 24

- Rights shares subscription of Pragati Life Insurance is set to begin September 24, aiming to raise BDT 230.27 million. The subscription period for the rights will be continued until October 20, 2020, officials said. The rights issue is an offer of new shares by a company to its existing shareholders in proportion to the shares they already own and usually at a discount to market price. The stock market regulator - Bangladesh Securities and Exchange Commission (BSEC)--approved the Pragati Life's application to raise BDT 230.27 million through rights issue on August 13.

- The purposes of issuance of right shares are to cope with the business growth and strengthen the capital base of the company as well as fulfill the regulatory requirement. The life insurer, which was listed on the Dhaka bourse in 2006, will issue more than 15.35

million rights shares of BDT 15 each, including BDT 5.0 as a premium to raise the said amount. The company will issue one rights share against existing one share (1R:1). The company will invest the rights offer amounts in government treasury bonds, and in fixed deposits at banks and financial institutions.

<https://today.thefinancialexpress.com.bd/stock-corporate/rights-subscription-of-pragati-life-begins-sept-24-1600184870>

### **Express Insurance plans interim dividend**

- Newly-listed Express Insurance is likely to recommend interim dividend as investors have expressed dissatisfaction over the 'no dividend' recommended for the year ended on December 31, 2019. The company is mulling to recommend interim dividend after a meeting held on Tuesday with the Bangladesh Securities and Exchange Commission (BSEC). Official sources said the securities regulator has suggested Express Insurance to take into account the investors' dissatisfaction expressed over no dividend recommended just after being listed with stock exchanges.

<https://today.thefinancialexpress.com.bd/stock-corporate/express-insurance-plans-interim-div-1600184903>

<https://www.thedailystar.net/business/news/find-something-investors-1962029>

### **GP, Robi, BL add 3.1 million subscribers in July**

- The number of subscribers of the country's three private mobile phone operators — Grameenphone, Robi and Banglalink — increased by 3.1 million in July this year while state-owned Teletalk lost 75,000 subscribers in the month. So, the total number of mobile phone subscribers in the country rose by 2.99 million to 164.3 million at the end of July this year from 161.3 million a month ago. Officials of the telecom operators said that the improvement was a reflection of the gradual restoration of normalcy in public movement even though the coronavirus outbreak was yet to be brought under control. The number of mobile internet subscribers increased by 2.94 million to 97.8 million at the end of July from 94.9 million a month ago.

<https://www.newagebd.net/article/116256/gp-robi-bl-add-3065-lakh-subscribers-in-july>

### **BSEC suspends share trading of Zeal Bangla Sugar Mills**

- The stock market regulator has suspended share trading of Zeal Bangla Sugar Mills, with effect from today (Tuesday), following 'unusual' transactions and movement of its share price. The share price of Zeal Bangla, a 'Z' category company, shot up by more than 574% or BDT 181.50 each within two months. It closed at BDT 213.10 on Monday. The state-owned company's share price was BDT 31.60 on July 9, 2020.

<https://today.thefinancialexpress.com.bd/stock-corporate/bsec-suspends-share-trading-of-zeal-bangla-sugar-mills-1600101271>

<https://tbsnews.net/economy/stock/bsec-suspends-zeal-banglas-share-trading-132922>

<https://www.dhakatribune.com/business/stock/2020/09/14/bsec-suspends-share-trading-of-zeal-bangla>

### **Regulator denies Western Marine's rights share**

- The securities regulator has turned down Western Marine Shipyard Limited's rights share

application as the shipbuilding company failed to submit required documents on time. Western Marine, the country's largest shipbuilder, could not meet the regulatory requirements on time, a BSEC official said. Then the commission asked for required documents and explanations from the company. Although the submission deadline was extended twice, the company repeatedly applied for extra time instead of sending a reply. So, the BSEC decided to reject the company's rights share offer.

<https://tbsnews.net/economy/stock/regulator-denies-western-marines-rights-share-132919>

### **Rising market lures new investors**

- The number of new beneficiary owner (BO) accounts is on the rise in recent weeks as new investors are entering the market to cash in on the bullish market. About 31,451 accounts were opened in the last one and a half months, according to data from the Central Depository Bangladesh Ltd (CDBL), which preserves electronic data of all individual and institutional investors. The number of active BO accounts stood at 2,330,591 as of September 14, up from 2,299,140 on August 3, the CDBL data show.

- Market analysts said the rising number of initial public offerings (IPOs) under the new leadership at the securities regulator and the bullish market trend in recent weeks prompted people to open new accounts to invest in the market. The investors are more confident in pouring funds into the secondary market amid growing confidence while guaranteed profit through IPOs encouraged the investors to bet on primary shares, said a merchant banker.

<https://today.thefinancialexpress.com.bd/stock-corporate/rising-market-lures-new-investors-1600101140>

### **Transcom, Kumudini to buy Reliance Insurance shares worth BDT 58.5 million**

- Trinco Ltd and Transfin Trading Ltd of Transcom Group and Kumudini Welfare Trust Of Bengal (BD) Ltd will buy 1.2 million shares, worth BDT 58.5 million, of Reliance Insurance Limited. They will do it through the block market at the Dhaka Stock Exchange (DSE) within the next 30 days. The three companies are also corporate sponsors of Reliance Insurance. Among them, Transfin and Trinco each will buy 0.3 million shares and Kumudini will buy 0.6 million shares of Reliance Insurance. They will buy the shares at the current market price.

<https://tbsnews.net/economy/stock/transcom-kumudini-buy-reliance-insurance-shares-worth-BDT585-crore-132376>

### **DSE reduces time for using mobile app**

- The Dhaka Stock Exchange (DSE) has reduced the time for DSE mobile app users' access to the trading system in view of the current cyber security situation and alert. The prime bourse has decided to allow the access to trading work station (TWS) and the DSE mobile app trading system from 8:00am to 8:00pm only on trading days, according to a web posting on Sunday. Earlier, the mobile app users could access the trading work station and DSE mobile app trading system round the clock every day.

- The measures have been taken for the greater interest of the stock exchange, investors and the nation as a whole, according to the disclosure. The DSE has taken the decision as precautionary measures and to avoid any cyber hacking attempts by foreign hackers, said a DSE high official. Recently, several banks have opted to limit the operations of their

automated teller machines for six to eight hours at night following an alert issued by the Bangladesh Bank in anticipation of cyber hacking attempts by foreign hackers.

<https://today.thefinancialexpress.com.bd/stock-corporate/dse-reduces-time-for-using-mobile-app-1600013206>

### **Meghna Petroleum signs deals with four companies to sell LPG**

- Meghna Petroleum, a state-run listed company, has signed agreements with four non-listed companies -- Beximco LPG Unit-1, Bashundhara LP Gas, Omera Gas One and Unitex LP Gas -- as part of its business expansion plan to sell LPG. Under the agreement, the state-run company will sell these companies' LPG by setting up LPG (autogas) refuelling station and liquefied petroleum gas conversion workshop parallel to the sale of petroleum oil through the company's registered filling station across the country.

- Liquefied petroleum gas (LPG) is called autogas when it is used for motor vehicles as fuel. Such autogas is considered to be energy efficient and environmental-friendly. The Meghna Petroleum will receive a royalty of BDT 0.50 against per liter sale of LPG, according to a disclosure posted on the Dhaka Stock Exchange (DSE) website on Sunday. The Meghna Petroleum, a statutory organisation under the power, energy and mineral resources ministry, has stepped forward to make LPG more available as a primary fuel source for vehicles in Bangladesh.

- The move comes as part of the government's ongoing efforts to increase LPG consumption in the country, where reserves of natural gas are depleting rapidly. Each share of the Meghna Petroleum, listed on the Dhaka bourse in 2007, closed at BDT 199.30 on Sunday, losing 1.23% over the previous day. Its share traded between BDT 119 and BDT 204.8 in the last one year.

<https://today.thefinancialexpress.com.bd/stock-corporate/meghna-petroleum-signs-deals-with-four-cos-to-sell-lpg-1600013170>

### **BSEC to clarify role of independent directors soon**

- The securities regulator will continue its crackdown on unscrupulous persons who are out to gobble up investors' hard-earned money through various deceitful acts. While ensuring the ease of doing business, the unscrupulous persons will not be allowed to embezzle investors' money, BSEC chairman said. The list of sponsor-directors, who do not have required amount of shares, will also be published, the BSEC chairman said, adding the commission will be facilitating the sponsor-directors who are holding the required volume of shares.

- The BSEC is annoyed with the role of independent directors. A package outlining the role of independent directors will be announced soon, said the BSEC chairman added. He said the boards of non-compliant companies, which want to remain out of touch, will be restructured to ensure their accountability.

<https://today.thefinancialexpress.com.bd/first-page/bsec-to-clarify-role-of-independent-directors-soon-1599930248>

<https://www.newagebd.net/article/116064/bsec-to-continue-drive-against-wrongdoers-chairman>

### **BSEC approves Index Agro's share bidding**

- The securities regulator has approved the proposal of the Index Agro Industries to determine the cut-off price of its shares, a requirement for going public under the book-building method. As per its IPO proposal, Index Agro will raise a capital worth BDT 500 million for the purpose of constructing buildings, purchasing machinery and bearing the IPO expenses.

- According to the financial statement for the year ended on June 30, 2019, the company's net asset value per share stood at BDT 45.03 (with revaluation reserve) while the earnings per share (EPS) was BDT 7.07. AFC Capital is the issue manager of Index Agro Industries.

- At the Thursday's meeting, the securities regulator also approved another proposal of the Southeast Bank to issue BDT 5.0 billion subordinated bond. The non-convertible and floating rated bond will be issued to local financial institutions, insurers, different funds, corporate and eligible investors through private placement. Southeast Bank will raise the capital to strengthen its Tier-II capital base. The securities regulator has also imposed a condition requiring the bond to be included in the alternative trading board of the stock exchange.

<https://today.thefinancialexpress.com.bd/public/stock-corporate/bsec-approves-index-agros-share-bidding-1599755992>

<https://www.dhakatribune.com/business/stock/2020/09/10/index-agro-gets-nod-to-discover-ipo-cut-off-price>

### **Capital market to be digitally transformed by 2021**

- A webinar on digital transformation of the Bangladesh capital market was held on Saturday to formulate a roadmap on setting up infrastructure necessary for the digitalization. Our capital market will be digitally transformed by 2021, said the Chairman of Bangladesh Securities and Exchange Commission (BSEC). He added that the commission will finalize a to-do list for a completely digital capital market infrastructure within the coming six months while the entire project is scheduled to be completed by the end of 2021.

<https://tbsnews.net/economy/stock/capital-market-be-digitally-transformed-2021-132037>