

Capital Market Overview

The market closed in red this week. The benchmark index DSEX (-0.75%) lost -37.09 points and closed the week at 4,905.04 points. The blue-chip index DS30 (-0.81%) lost -14.05 points and stood at 1,711.60 points. The Shariah-based index DSES (-0.27%) lost -3.03 points and stood at 1,117.44 points. The large cap index CDSET (-0.04%) lost -0.38 points and closed at 1,001.86 points. DSEX, DS30, DSES and CDSET showed YTD returns of +10.15%, +13.10%, +11.76% and +11.35%, respectively.

Total Turnover During The Week (DSE): BDT 45.6 billion (USD 536 million)

Average Daily Turnover Value (ADTV): BDT 9.1 billion (Δ% Week: +7.9%)

Market P/E: 16.3x

Daily Index Movement during the Week:

Market performed five sessions during this week. Market performed negatively in the first session by -0.37% and rebounded in the second session by +0.09%. However, in the third session, market closed in the negative territory by -0.58% and continued to be negative in the fourth session by -0.33%. In the last session, market performed positively by 0.44%.

Sectoral Performance:

- Financial sectors posted mixed performance this week. Mutual Fund booked the highest gain of 11.39% followed by Life Insurance (+2.01%), and Bank (+0.47%). NBFIL experienced the highest loss of 3.81% followed by General Insurance (-2.95%).

- All the non-financial sectors registered negative performance this week except Engineering (+9.37%). Food & Allied experienced the highest loss of 2.57% followed by Telecommunication (-1.53%), Fuel & Power (-0.86%) and Pharmaceutical (-0.79%).

Macroeconomic arena:

- The country's current account balance posted a surplus of USD 3.53 billion in the first quarter of the fiscal year on the back of a sharp decline in the trade deficit. This contrasts to a deficit of USD 715 million in the same quarter a year ago, according to data from the central bank.

- Bangladesh witnessed the highest ever remittance inflow in fiscal 2019-20 which was 10.87% higher than the previous year. Country received a total of USD 18,205.01 million remittance in FY20 which was USD 16,419.63 million in fiscal 2018-19.

- Bangladesh's merchandise exports declined 4.08% year-on-year to USD 2.94 billion in October because of the faltering recovery of garment shipment from the coronavirus pandemic. The shipment from July to October, the first four months of the current fiscal year, rose 0.97% year-on-year to USD 12.84 billion. Apparel shipment, which typically contributes more than 84% to the national exports, declined by 1.2% year-on-year to USD 10.45 billion in the four-month period.

- Inflation rose to 6.44% in October, the highest in at least five years, driven by a sharp increase in the price of food items. This was the third consecutive monthly increase in inflation as recent floods and rains damaged crops and pushed up the price of rice and vegetables.

Stock Market arena:

- BRAC, the globally reputed NGO will purchase 25 million shares of BRAC Bank. BRAC is a leading sponsor of BRAC Bank and holds above 44% shares of the bank as per the financial statement for the year ended on December 31, 2019.

- Berger Paints Bangladesh Limited, a publicly traded multinational company, is set to invest BDT 914.8 million on Jenson & Nicholson (Bangladesh) Limited (JNBL) for establishing the latter's second factory in Savar. The project is expected to be completed in 2022.

- Robi Axiata will raise BDT 5.23 billion by issuing 523.7 million ordinary shares at face value. Of the amount, BDT 3.87 billion would be raised from stock investors and the rest BDT 1.36 billion from its officials. The IPO subscription will start on November 17 and will continue till November 23.

- The securities regulator has approved the proposal of the prospectus of Mir Akhter Hossain as part of the process of raising capital worth BDT 1.25 billion from the capital market under book building method. As per the regulatory approval, Mir Akhter Hossain will offload above 20.77 million shares. Of 20.77 million shares, 10.38 million shares will be issued to eligible investors (EIs) at respective prices offered by EIs at the bidding.

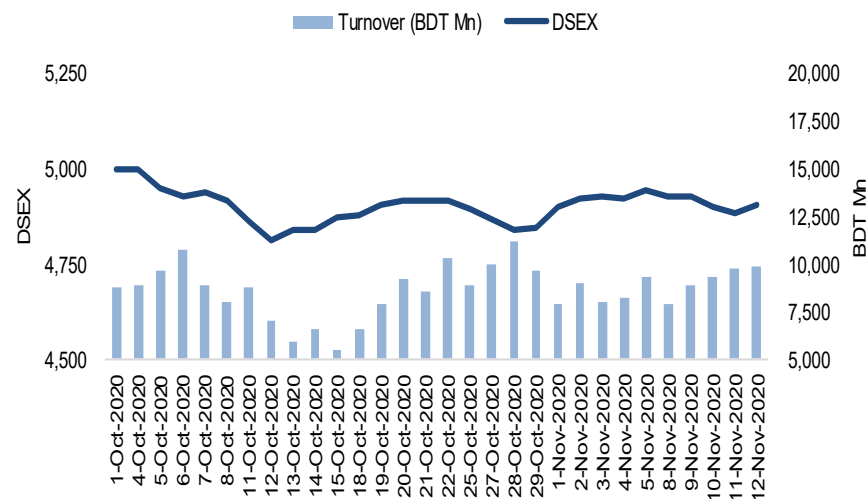
Table 1: Index

Index	Closing	Opening	Δ(Pts)	30-Dec-2019	Δ% Week	Δ%YTD
DSEX	4,905.04	4,942.12	-37.09	4,452.93	-0.75%	+10.15%
DS30	1,711.60	1,725.64	-14.05	1,513.35	-0.81%	+13.10%
DSES	1,117.44	1,120.47	-3.03	999.83	-0.27%	+11.76%
CDSET	1,001.86	1,002.24	-0.38	899.76	-0.04%	+11.35%

Table 2: Market Statistics

		This Week	Last Week	%Change
Mcap	Mn BDT	3,984,754	3,980,412	
	Mn USD	46,902	46,850	+0.1%
Turnover	Mn BDT	45,564	42,225	+7.9%
	Mn USD	536	497	
Average Daily Turnover	Mn BDT	9,113	8,445	+7.9%
	Mn USD	107	99	
Volume	Mn Shares	1,945	1,600	+21.5%

Figure 1: DSEX & Turnover in last four weeks



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Table 3: Top Ten Gainers

Company Name	Close	Open	Δ%	Mcap (BDT Mn)	Turnover (BDT Mn)	PE	PB
CAPMIBLMF	23.8	15.8	+50.6%	1,591	250.4	NM	2.6x
SEMLIBLSF	13.4	9.2	+45.7%	1,340	394.2	NM	1.5x
1STPRIMFMF	24.3	17.0	+42.9%	486	270.4	NM	2.3x
VAMLRBBF	12.1	8.8	+37.5%	1,921	123.6	NM	1.3x
SEMLFBSLGF	12.8	9.7	+32.0%	934	277.1	NM	1.2x
AOL	65.6	50.2	+30.7%	6,232	839.3	35.1x	3.4x
ATCSLGF	11.9	9.2	+29.3%	735	365.0	NM	1.2x
NCCBLMF1	10.2	8.0	+27.5%	1,107	198.9	NM	1.1x
RELANCE1	13.7	10.9	+25.7%	829	419.4	NM	1.3x
CAPMBDBLMF	12.8	10.3	+24.3%	642	269.3	NM	1.5x

Table 4: Top Ten Losers

Company Name	Close	Open	Δ%	Mcap (BDT Mn)	Turnover (BDT Mn)	PE	PB
HFL	20.8	24.4	-14.8%	1,894	18.7	NM	0.5x
DELTASPINN	5.6	6.5	-13.8%	932	13.6	35.0x	0.4x
ILFSL	5.0	5.8	-13.8%	1,109	48.1	NM	NM
INTECH	35.7	41.1	-13.1%	1,118	35.3	NM	3.3x
BDWELDING	18.3	20.9	-12.4%	793	21.6	NM	1.6x
PTL	58.0	66.2	-12.4%	8,566	472.4	12.2x	2.7x
MEGHNAPET	12.2	13.9	-12.2%	146	1.6	NM	NM
BSC	39.4	44.8	-12.1%	6,010	99.8	21.4x	0.7x
GQBALLPEN	200.5	227.6	-11.9%	1,790	95.9	NM	1.4x
SAVAREFR	214.5	241.5	-11.2%	299	7.1	NM	81.6x

Table 5: Top Ten Most Traded Shares

Company Name	Close	Open	Δ%	Mcap (BDT Mn)	Turnover (BDT Mn)	PE	PB
BXPBARMA	141.9	135.5	+4.7%	57,548	4,394	16.4x	1.8x
BEXIMCO	25.0	24.5	+2.0%	21,908	1,895	49.0x	0.4x
ASIAINS	104.4	96.2	+8.5%	4,914	1,013	36.0x	4.7x
BRACBANK	45.3	43.9	+3.2%	60,062	978	14.2x	1.3x
AOL	65.6	50.2	+30.7%	6,232	839	35.1x	3.4x
WALTONHIL	836.8	722.9	+15.8%	253,490	785	37.4x	3.2x
ASIAPACINS	83.7	82.4	+1.6%	3,545	652	46.1x	4.0x
ADNTEL	46.0	45.9	+0.2%	2,974	642	16.1x	1.8x
NITOLINS	63.3	57.4	+10.3%	2,545	632	10.9x	2.4x
NORTHNRINS	40.2	41.6	-3.4%	1,715	616	24.0x	1.9x

Table 8: Most Appreciated YTD in BRAC EPL Universe

Top 10 Most Appreciated Stocks	Close	Δ% YTD	Mcap (BDT Mn)	P/E	P/B
BXPBARMA	141.9	+104.5%	57,548	16.4x	1.8x
ACI	253.3	+39.6%	14,532	NM	1.8x
ISLAMIBANK	26.1	+36.6%	42,021	7.5x	0.7x
MJLBD	81.4	+28.6%	25,784	14.7x	2.2x
UPGDCL	312.3	+27.3%	164,581	23.2x	5.0x
IDLC	57.7	+27.1%	21,756	10.8x	1.5x
MARICO	2,102.2	+25.6%	66,219	22.7x	41.6x
LANKABAFIN	21.3	+24.2%	11,477	16.1x	1.2x
BARKAPOWER	27.9	+22.9%	6,140	10.8x	1.4x
TRUSTBANK	31.7	+21.5%	20,392	6.7x	1.1x

Table 6: Sector Indices

Sector Name	Week Close	Week Open	Year Open	%Δ Week	%Δ YTD
Banks	1,339.52	1,333.31	1,319.28	+0.47%	+1.53%
NBFIs	1,872.03	1,946.12	1,565.13	-3.81%	+19.61%
Mutual Funds	922.57	828.27	591.17	+11.39%	+56.06%
General Insurance	3,874.05	3,991.78	1,927.02	-2.95%	+101.04%
Life Insurance	2,059.28	2,018.70	2,194.70	+2.01%	-6.17%
Telecommunication	4,617.08	4,689.04	3,993.59	-1.53%	+15.61%
Pharmaceuticals	2,961.09	2,984.76	2,492.51	-0.79%	+18.80%
Fuel & Power	1,712.74	1,727.63	1,515.21	-0.86%	+13.04%
Cement	1,212.30	1,227.21	1,132.29	-1.21%	+7.07%
Services & Real Estate	1,045.50	1,047.87	886.70	-0.23%	+17.91%
Engineering	3,369.69	3,081.05	2,257.22	+9.37%	+49.29%
Food & Allied	12,932.47	13,273.41	12,121.49	-2.57%	+6.69%
IT	2,133.39	2,173.37	1,823.13	-1.84%	+17.02%
Textiles	1,037.66	1,069.24	1,042.04	-2.95%	-0.42%
Paper & Printing	5,030.17	5,128.77	5,233.20	-1.92%	-3.88%
Tannery	1,675.51	1,674.14	1,826.45	+0.08%	-8.26%
Jute	8,482.85	9,116.70	11,393.28	-6.95%	-25.55%
Ceramics	435.13	440.64	459.10	-1.25%	-5.22%
Miscellaneous	1,884.13	1,904.97	1,745.96	-1.09%	+7.91%

Table 7: Sector Trading Matrix

Sector Name	Daily average this Week	Daily average last week	% Change	% of Total Turnover	P/E	P/B
Bank	564.9	666.8	-15.3%	6.4%	7.7x	0.7x
NBFI	337.4	381.4	-11.5%	3.8%	127.4x	2.7x
Mutual Fund	1,598.1	646.7	+147.1%	18.1%	NM	0.9x
General Insurance	1,910.2	2,648.7	-27.9%	21.6%	20.4x	1.8x
Life Insurance	144.3	170.8	-15.5%	1.6%	NM	NM
Telecommunication	108.9	100.7	+8.1%	1.2%	12.8x	9.6x
Pharmaceutical	1,219.8	1,130.5	+7.9%	13.8%	19.4x	2.4x
Fuel & Power	460.3	372.1	+23.7%	5.2%	12.8x	1.4x
Cement	44.1	65.4	-32.7%	0.5%	28.7x	1.8x
Services & Real Estate	169.1	145.2	+16.5%	1.9%	88.5x	0.9x
Engineering	746.3	554.4	+34.6%	8.4%	31.2x	1.8x
Food & Allied	124.9	133.1	-6.2%	1.4%	20.5x	5.5x
IT	320.7	294.7	+8.8%	3.6%	22.8x	2.1x
Textile	307.4	351.7	-12.6%	3.5%	130.7x	0.7x
Paper & Printing	14.2	17.4	-18.1%	0.2%	48.4x	1.0x
Tannery	81.6	56.4	+44.6%	0.9%	NM	1.7x
Jute	10.8	15.7	-31.1%	0.1%	NM	9.9x
Ceramics	133.7	139.8	-4.3%	1.5%	58.0x	1.5x
Miscellaneous	555.1	376.7	+47.4%	6.3%	33.1x	1.2x

Table 9: Least Appreciated YTD in BRAC EPL Universe

Top 10 Least Appreciated Stocks	Close	Δ% YTD	Mcap (BDT Mn)	P/E	P/B
ECABLES	140.1	-29.7%	3,362	NM	10.1x
RUNNERAUTO	46.6	-21.7%	5,291	23.7x	0.7x
HEIDELBCEM	137.3	-16.7%	7,758	NM	2.0x
GHAIL	16.7	-14.8%	3,604	417.5x	1.1x
BRACBANK	45.3	-14.7%	60,062	14.2x	1.3x
IFADAUTOS	40.4	-12.6%	10,019	45.4x	1.0x
UNIQUEHRL	39.5	-10.0%	11,629	87.8x	0.5x
SHASHADNIM	22.3	-9.7%	2,995	10.4x	0.5x
SINGERBD	166.2	-7.9%	16,571	22.8x	5.4x
SHAHJABANK	20.7	-7.1%	20,288	10.8x	1.2x

Important News: Business & Economy

Current account posts USD 3.53 billion surplus amid downturn

- The country's current account balance posted a surplus of USD 3.53 billion in the first quarter of the fiscal year on the back of a sharp decline in the trade deficit. This contrasts to a deficit of USD 715 million in the same quarter a year ago, according to data from the central bank. The first quarter's current account balance is the highest in the same quarter in the last six years. The upward trend of the current account balance is a good sign, but there is no scope to be complacent, said experts. The current account surplus is a reflection of lower domestic consumption, production and investment and an indication of weak economic growth as a whole, they said.
- The ongoing economic slowdown brought on by the coronavirus pandemic is mainly responsible for the record balance of the current account. The surplus in the first quarter was largely caused by a reduction in the trade deficit, which occurs when a country's imports exceed its exports, to USD 2.03 billion driven by a steep descend in imports against dwindling exports. It stood at USD 3.84 billion in the first quarter of FY20. Also, strong growth in remittances in recent months has pushed up the surplus of the current account. Between July and October, remittance hit USD 8.82 billion, up 43.24% year-on-year.
- Import of capital machinery and intermediate goods has dropped alarmingly, shrinking the trade deficit significantly in the first quarter, said a former lead economist of the World Bank's Dhaka office. The lower import of the items hinted that the country's economic activity has almost stagnated, he said.

<https://www.thedailystar.net/business/news/current-account-posts-353b-surplus-amid-downturn-1988457>

Remittance inflow increased by 10.87% in FY20

- Bangladesh witnessed the highest ever remittance inflow in fiscal 2019-20 which was 10.87% higher than the previous year. Country received a total of USD 18205.01 million remittance in FY20 which was USD 16419.63 million in fiscal 2018-19. Besides, foreign currency reserve in the fiscal stood at USD 36.04 billion while revenue collection was BDT 2.62 trillion even after the Covid-19 outbreak. In FY20, the growth reached at 5.24% which was quite more than many other development countries in Asia as well as across the world, said the cabinet secretary. He said the growth rate is a remarkable achievement in the Covid-19 pandemic gripped situation.
- To deal with the impacts of Covid-19 and rejuvenate country's economy, Prime Minister announced 21 stimulus packages of BDT 1.20 trillion which was 4.30% of GDP, he further added. Of the total, BDT 577.85 billion has been disbursed so far from the stimulus packages, he said. Poverty rate in FY20 reduced to 20.5% from 21.8% while the rate of extreme poverty declined to 10.5% from 12.9%. The per capita income stood at USD 2,064 in FY20 from USD 1,909.

<https://www.dhakatribune.com/business/2020/11/02/remittance-inflow-increased-by-10-87-in-fy20>

Exports drop on faltering recovery of apparel

- Bangladesh's merchandise exports declined 4.08% year-on-year to USD 2.94 billion in October because of the faltering recovery of garment shipment from the coronavirus

pandemic. Last month's receipts are also 6.03% shy of the monthly target of USD 3.13 billion, according to data of the Export Promotion Bureau (EPB). The shipment from July to October, the first four months of the current fiscal year, rose 0.97% year-on-year to USD 12.84 billion. Apparel shipment, which typically contributes more than 84% to the national exports, declined by 1.2% year-on-year to USD 10.45 billion in the four-month period.

- Knitwear exports fetched USD 5.80 billion, registering 4.76% year-on-year growth from July to October. The shipment of woven was down 7.76% to USD 4.64 billion. After recording a historic decline of 18.12% in export growth in FY2019-20 and the seven consecutive months of falling growth, shipments edged up to the positive territory in August and September, said the president of the Bangladesh Garment Manufacturers and Exporters Association. She said garment exports posted 7.78% negative growth in October highlighting the faltering recovery in global demand and trade.
- It is quite alarming that this decline in exports is predominantly caused by the fall in woven garment export, she added. Though country-wise export data is not available yet for October, the July-September data shows that export to non-traditional markets suffered the most, while shipment to the EU and the US maintained stable growth and helped Bangladesh turn around in exports, she said. Since Europe has entered into a fresh wave of Covid-19 infection, lockdowns are being declared in many countries, it would be difficult for us to cope up if the EU's demand for clothing and its sourcing is troubled further.

<https://www.thedailystar.net/business/news/exports-drop-faltering-recovery-apparel-1988477>

<https://tbsnews.net/economy/trade/exports-suddenly-dip-oct-153004>

<https://today.thefinancialexpress.com.bd/first-page/oct-export-data-trigger-worries-1604340456>

<https://www.dhakatribune.com/business/economy/2020/11/02/exports-hitting-the-bumpy-road>

Inflation rises to 5-year high

- Inflation rose to 6.44% in October, the highest in at least five years, driven by a sharp increase in the price of food items. This was the third consecutive monthly increase in inflation as recent floods and rains damaged crops and pushed up the price of rice and vegetables. October's CPI is 97 basis points higher than it was in the same month last year. General inflation has been on the upward trend since July. Food inflation made a sharp rise, climbing by 84 basis points to 7.34%, largely due to the increase in the price of rice.
- Non-food inflation declined 12 points to 5% last month. Rural inflation jumped by 71 points to 6.67% from 5.96% a month ago. Food inflation surged 1.12% points to 7.73% from 6.61% in September. Inflation in the urban areas edged up five basis points to 6.03%. Food inflation rose 22 basis points to 6.48% but non-food inflation dropped 14 basis points to 5.51%. The wage rate rose to 6.03% from 5.95% in September.

<https://www.thedailystar.net/business/news/inflation-rises-5yr-high-1989653>

MFS deals rise 26% in Q3 to BDT 1.5 trillion

- Transactions through mobile financial services (MFS) grew by over 26% in the third quarter (Q3) of 2020, as general people, businessmen and the government agencies preferred to use digital services more amid the nationwide Covid-19 pandemic. Total MFS transaction volume rose to BDT 1,535.24 billion during the July-September period of the current calendar year, from BDT 1,214.61 billion three months before, according to the

central bank's latest statistics. It was BDT 1,232.23 billion during the January-March period of 2020.

- In September 2020, MFS transactions grew by 18.6% to BDT 491.21 billion, from BDT 414.04 billion a month ago. It was BDT 629.99 billion in July 2020. Official data showed that transactions through the country's 15 MFS providers hit an all-time high in July. An increasing number of people, businesses and the government agencies used MFS services then to avoid serious health hazards, caused by the ongoing Covid-19 pandemic.

<https://today.thefinancialexpress.com.bd/last-page/mfs-deals-rise-26pc-in-q3-to-BDT-153524b-1604512544>

<https://www.thedailystar.net/business/news/mfs-transactions-rebound-strongly-1989649>
<https://tbsnews.net/economy/banking/transactions-salary-payment-through-mobile-banking-increases-september-153874>

The future looks bright as the sun for MFS

- Transactions through the mobile financial services platform soared 38.6% year-on-year to BDT 491.2 billion, with the payment channel now emerging as one of the big winners of the pandemic. September's figure, which is up 18.6% from a month earlier, is the second-highest since MFS was introduced nearly a decade ago. While the platform has always been popular among the unbanked population for sending and receiving money, it has turned out to be particularly handy in making payment at a point-of-sale terminal, salary disbursement and utility bill payment during the pandemic. In September, merchant payment through the channel stood at BDT 12.92 billion -- the highest yet. It hovered below BDT 6.00 billion until June, when the economy was reopened.

- The stimulus packages announced by the government for the payment of salary of garment workers also boosted MFS transactions. Salary disbursement through the platform, which hovered was less than BDT 12.50 billion until April, shot past the BDT 20.00 billion-mark from May. In September, it was BDT 19.54 billion. In September, 1.85 million new accounts were opened to take the total to 95 million.

<https://www.dhakatribune.com/business/commerce/2020/11/04/the-future-looks-bright-as-the-sun-for-mfs>

Most listed banks see rise in profits

- Most of the listed banks logged higher profits in the first nine months of 2020 despite a lower net interest income amid the business slowdown caused by the coronavirus pandemic. Lower provisioning was the main driver behind the higher profits. All the 30 banks listed with the Dhaka Stock Exchange declared their third quarterly earnings. Eighteen out of the 27 posted a year-on-year rise in profits during the January to September period. They logged 3.49% higher profits of BDT 48.88 billion in the nine months.

- Their combined net interest income, the biggest source of revenue, dropped 25% to BDT 103.01 billion thanks to two steps introduced by the central bank -- 9% interest cap in April and a payment holiday after the Covid-19 outbreak. Provisioning of the listed banks also dipped 47% year-on-year to BDT 20.09 billion. The banking sector witnessed higher income because of the policy support on provisioning from the central bank, said the managing director of Pubali Bank. The stock market was also vibrant this year, so many banks did not need to keep provision. This ultimately boosted the profits of the banking sector, he added.

- Banks should be more careful in booking profit this year and paying dividends because if they disburse dividend on unearned profits, they will be in trouble next year, said the managing director of Mutual Trust Bank. As the banks' profit rose riding on the lower provisioning and despite experiencing a reduction in the net interest income, they can announce dividend but it should not be much higher, he said.

<https://www.thedailystar.net/business/news/most-listed-banks-see-rise-profits-1989665>

Mobile subscriber numbers hit a record in September. But Teletalk was a big loser

- Since then, 5.6 million subscribers came on board, to take the subscriber base to a record 167 million at the end of September, according to data from the Bangladesh Telecommunication Regulatory Commission (BTRC). During the period, all operators added users save for Teletalk: at the end of May, the state-owned mobile operator had 4.87 million subscribers, which came down to 4.61 million towards the end of September. Inconsistent network coverage and weak signal strength were the key reasons behind people jumping from Teletalk, according to telecom industry insiders. The network crisis in some areas forced subscriber numbers to drop, said by the telecommunications and information technology minister.

<https://www.dhakatribune.com/business/2020/11/04/mobile-subscriber-numbers-hit-a-record-in-september-but-teletalk-was-a-big-loser>

Half the stimulus funds not disbursed yet

- Banks disbursed 48% of BDT 760.00 billion funds they have been entrusted with lending to the sectors creaking under the pressure of the coronavirus pandemic as of September, official data showed. This means, BDT 366.24 billion has been disbursed by banks. Since the Covid-19 hit Bangladesh on March 26, the government has unveiled about 20 stimulus packages involving BDT 1.20 trillion, which is 4.3% of the country's gross domestic product. Banks have been given most of the responsibility to disburse the funds in the form of working capital loans, small loans and salary support under the packages.

- The export-oriented sector, mainly the readymade garments, is ahead of all so far. Initially, they were given BDT 50.00 billion. When the sector demanded for more when the funds exhausted, the government allocated another BDT 30.00 billion to keep the important sector afloat. The second tranche has also been distributed. Significant progress was made in dispensing the BDT 330.00 billion funds to the affected large industries and services at 9% interest to be repaid equally by the borrowers and the government as subsidy.

- The government announced BDT 200.00 billion as the working capital support to the pandemic-hit small businesses at 9% interest -- 4% to be paid by the borrower and 5% by the government as subsidy. Fifty-six banks and 20 non-banks disbursed BDT 48.22 billion from the package and nearly half of the amount was given in September alone. Some 21,642 male entrepreneurs and 1,124 female entrepreneurs received the loans.

<https://www.thedailystar.net/business/news/half-the-stimulus-funds-not-disbursed-yet-1989673>

The Bangladesh Garments Manufacturer and Exporter Association (BGMEA) seeks 10-year moratorium on loans

- The Bangladesh Garments Manufacturer and Exporter Association (BGMEA) has sought

a 10-year moratorium on the outstanding loans of its members to help them ride out the corona crisis. The Association also urged the government to keep the apparel plants' bank liabilities out of the single borrower exposure limit. Due to Covid-19, many global brands and retailers, especially in the European Union (EU), USA and China have seriously been affected and as a result many of them like Sears, Debenhams, La Halle, La Camaieu, JC Penny and Nygard have declared themselves bankrupt, she noted. Work orders worth USD 3.0 billion have been affected, she said, adding none could be blamed for the crisis surfaced due to the Covid-19, the BGMEA chief said.

- According to the BGMEA, the sector received a total of BDT 105 billion to pay four months' (April to July) wages of the workers. The scheme requires factories to clear the debt in 18 equal installments in two years, with a grace period of six months. The BGMEA demanded extending the grace period for up to one year. RMG exports year-on-year fell by 20.14% to USD 2.25 billion in March, 85.25% to USD 374.67 million in April and 62.06% to USD 1.23 billion in May last. The export recovery has started since June and continued until September last with highest USD 3.24 billion earnings in July. The BGMEA has demanded that the outstanding loans of the Covid-hit factories be kept in block account for 10 years and also keep their liabilities out of the purview of the single borrower exposure limit.

<https://today.thefinancialexpress.com.bd/first-page/bgmea-seeks-10-year-moratorium-on-loans-1604512031>

Forex reserves to hit USD 50 billion in next 14 months

- Bangladesh's foreign exchange reserve will hit USD 50 billion within the next 14 months, Finance Minister said. They are thinking about how they can utilise this reserve to secure commercial benefits while keeping it in the country, he said. Besides, the reserve which is now more than USD 40 billion is expected to increase further, according to the minister. Asked about the country's economic recovery amid the Covid-19 fallout, he said Bangladesh has handled the situation well. As a result, both the International Monetary Fund and the World Bank have praised the country's indicators for recovery. He said that the USD 14 billion stimulus package announced by Prime Minister Sheik Hasina helped the economy bounce back at a pace which was previously unimaginable.

<https://www.thedailystar.net/business/news/forex-reserves-hit-50b-next-14-months-1989661>

<https://tbsnews.net/economy/forex-reserves-cross-50b-next-year-kamal-153754>

Mobile internet users cross 100 million mark

- The number of people using internet on their mobile phones in Bangladesh crossed the 100-million mark in September as customers' shift towards the digital sphere to carry out tasks made further gains owing to the coronavirus pandemic. The number of internet users rose 13% year-on-year to 111.1 million in September, data from the Bangladesh Telecommunication Regulatory Commission showed yesterday. It was 98.4 million in the same month last year. Now, 102.5 million subscribers use internet on their handheld devices and the rest rely on the services provided by internet service providers and public-switched telephone network operators.

- In another milestone, mobile phone subscribers grew 2.26% year-on-year to 167.1 million in September to reach an all-time high. The number of active mobile phone users stood at 163.4 million in the same month last year. With September's uptick, the number of mobile phone users went past the pre-pandemic high of 166.1 million posted in February. The chief

corporate and regulatory affairs officer of Banglalink, said that they are trying to make a recovery in the post-pandemic period as economical activities are regaining the normal pace especially after the lockdown.

- He credited people's improving financial condition and buying capacity for the uptick in the number of mobile phone subscribers and internet users. Market leader Grameenphone's customers jumped 2.51% to 77.6 million in September from 75.7 million in last year. Robi Axiata, which went past the 50-million landmark in September, took its tally to 50.1 million at the end of the month, up from 48.2 million in the same month last year.

<https://www.thedailystar.net/business/news/mobile-internet-users-cross-10cr-mark-1989001>

September sees record number of mobile phone and internet users

- The numbers of both mobile phone and internet subscribers in the country have reached the highest-ever mark in September this year, according to the latest official data. Some three million new internet users were added to the subscriber base in September, taking the total tally to 111.13 million, according to the data released by the Bangladesh Telecommunication Regulatory Authority (BTRC) on Monday. The number of mobile phone subscribers reached 167.10 million in September, up from 166.08 million in August and 166.11 million in February.

- Of the internet subscribers, some 102.47 million are mobile internet users and 8.65 million are broadband internet users, the data showed. Grameenphone, the largest mobile phone operator in the country, had 77.59 million subscribers as of September, up from 77 million in the previous month. Second-placed Robi Axiata had 50.12 million subscribers in September, up from 49.78 million in August.

<https://today.thefinancialexpress.com.bd/trade-market/sept-sees-record-number-of-mobile-phone-and-internet-users-1604419657>

Banks see their loss-making branches soar

- People's reluctance to secure financial services in person amid the coronavirus pandemic and a lack of corporate governance have driven up the number of unprofitable branches of banks in Bangladesh. The number of loss-making branches rose 36% year-on-year to 1,907 in June, data from the central bank showed. This meant the banking sector has 18.22% of their brick and mortar outlets in the red, up from 12.19% among 10,450 branches in December last year. People have embraced digital banking to avoid going to branches to keep the highly infectious disease at bay, dealing a major blow to the traditional banking operation.

- Agent banking and mobile financial service providers are offering financial services and this has discouraged clients from visiting branches, said the executive director of the Policy Research Institute of Bangladesh. Although the majority of banks managed to make a profit on papers in the six months to June, the number of loss-making branches for almost all banks rose. The branches that had earlier been at a break-even became loss-making, said he, also the chairman of Brac Bank.

- Brac Bank has decided not to open any new branch in the days ahead as it has embraced branchless banking, he said. The managing director of the private commercial lender, said a significant number of branches of the bank incurred losses in the first half of 2020 because of the business slowdown caused by the pandemic. The branches have improved their situation in the third quarter keeping pace with the ongoing economic recovery, he

said.

<https://www.thedailystar.net/business/news/banks-see-their-loss-making-branches-soar-1989009>

E-commerce would be a USD 3 billion industry by 2023

• The e-commerce industry is forecasted to hit USD 3 billion by 2023 provided there is a stable internet connection and an easy online payment system, experts said. The pandemic was rather a blessing in disguise for the e-commerce industry," said Commerce Secretary. Despite having dissatisfaction among the consumers, e-commerce and f-commerce are growing manifold for their incremental demand, he added.

• In 2020, thanks to the global coronavirus pandemic that compelled people to stay at home as much as possible, the e-commerce business experienced a significant 166% growth as consumers moved online for their shopping needs, said the president of the Bangladesh Association of Software and Information Services. Currently, the size of the local e-commerce market was about USD 2 billion and was increasing by 50% every year, said DCCI President. Despite a significant drop in general trading, e-commerce trading increased remarkably, benefitting from the pandemic's turbocharging of digitalisation.

<https://www.dhakatribune.com/business/2020/11/03/e-commerce-market-will-be-3-billion-big-by-2023>

Listed companies to face curbs

• The listed companies might soon be barred from providing interest-free loans to their subsidiaries or non-listed companies. A move to this effect is under consideration of the securities regulator--the Bangladesh Securities and Exchange Commission (BSEC) with the objective of improving the listed companies' financial strength and ensuring the interest of the investors, officials concerned said. They said the listed companies would also be asked to charge interest on the total amount of loans they have disbursed to their subsidiaries or non-listed companies so far. They said the companies often provide their subsidiaries with funds as loans, but without any interest.

• BSEC chairman said the companies, which are not listed with the stock exchanges, received funds or loans from many listed companies without paying any interest. He said the shareholders of listed companies are not the owners of the non-listed companies that are doing business with the funds received from the former. As a result, he added, the owners of the non-listed companies were getting the benefit out of the interest-free loans from the listed companies. He further added that like the banks, the listed companies will have to charge interest on the loans to their subsidiaries or non-listed companies. Then the listed companies will be asked to charge interest on the total amount of loans so far disbursed to their subsidiaries or non-listed companies," said the BSEC chairman. As part of the regulatory measures, the BSEC on August 13 last sent a letter to all the listed companies asking information about the transfer of funds or disbursement of loans to their sister concerns or associate companies or any other non-listed companies.

<https://today.thefinancialexpress.com.bd/first-page/listed-cos-to-face-curbs-1604424143>

Remittance inflow up by 43% in Jul-Oct

• Bangladesh received nearly USD 9.0 billion in remittances in the first four months of the current fiscal year (FY) despite the Covid-19 pandemic, officials said. The inflow of

remittances grew by more than 43% to USD 8.82 billion during the July-October period of FY2020-21 from USD 6.16 billion in the same period of the previous FY, according to the central bank's latest statistics. The money sent home by Bangladeshis working abroad amounted to USD 2.11 billion in October 2020, down by USD 39 million from the previous month's level. In September last, the remittances stood at USD 2.15 billion. It was USD 1.64 billion in October 2019.

• The BB's policy support has also contributed to achieve such higher growth of inward remittances during the period under review, according to the central banker. The central bank has already relaxed the conditions for incentives on the money sent by expatriate Bangladeshis to lift up the sinking flow of remittances amid the pandemic. Under the latest relaxation, the expatriate Bangladeshis can get 2.0% incentive without showing any paper on remittance up to USD 5,000 or BDT 500,000. Earlier, the ceiling was BDT 150,000.

<https://today.thefinancialexpress.com.bd/first-page/remittance-inflow-up-by-43pc-in-jul-oct-1604253638>

<https://www.dhakatribune.com/business/economy/2020/11/01/remittance-continues-to-bring-cheer>

<https://www.thedailystar.net/business/news/remittance-roll-1987909>

<https://tbsnews.net/economy/remittance-growth-slows-october-152548>

Garment factories nearing full employment

• Garment factories, it seems, are rehiring the workers laid off earlier in the year in the face of order cancellations by Western buyers just as the coronavirus was taking root all over the world. Employment in the factories is close to scaling back to pre-pandemic times, according to a study by the South Asian Network on Economic Modeling (Sanem) and Microfinance Opportunities (MFO) -- in what can be viewed as a promising development for the sector that employs more than 4 million, most females, and brings in the lion's share of export earnings. In April, employment in the apparel sector fell to 49%. But in September, it stood at 90% of what it was before coronavirus arrived on these shores, according to the study.

<https://www.dhakatribune.com/business/economy/2020/11/01/garment-factories-nearing-full-employment>

Apparel exports again feels the pandemic pinch

• Apparel exports have again begun to fall with Covid-19's second wave taking a serious turn, particularly in Europe and the United States -- Bangladesh's top two export destinations. The second wave of infections in the country's largest export market -- Europe -- is far worse than the first. So, measures to rein in the second wave of Covid-19 are in place across the continent. The president of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA), said that exports rose in August and September but fell again by 5.85% in October as the second wave hit Europe and the United States. France has gone into lockdown.

• In 27 days of October this year, Bangladesh raked in USD 1.92 billion in export earnings, in contrast to USD 2.04 billion over the same period of the last fiscal year, according to the BGMEA. The senior vice-president of the BGMEA, said that buyers and retailers have asked apparel owners to delay shipments of ready goods for a month. So, they have sent a letter to the finance ministry through the commerce ministry, seeking a deferment on repayments of stimulus loans for six more months.

- The country's exports witnessed a positive growth in the first quarter of the current fiscal year, riding on the reinstatement of the orders previously cancelled or held-up due to the pandemic. Ready-made garment entrepreneurs fear that their exports might see a further fall with the second wave of Covid-19 turning more serious.

<https://tbsnews.net/economy/rmg/apparel-exports-again-feels-pandemic-pinch-152578>

Bangladesh Bank (BB) extends time until November 30

- The central bank has extended further the deadline for implementation of the stimulus package for the cottage, micro, small and medium enterprises (CMSMEs) by one more month, from October 31 to November 30. The BB's latest move came against the backdrop of slow progress in loan disbursement under the package for the CMSMEs until October 22. The banks and NBFIs disbursed BDT 56.74 billion of the stimulus package by then. Senior bankers earlier urged the BB to extend the deadline further by two more months, from October 31 to December 31, for implementing the package properly.

- The disbursed amount is 28.37% of the total BDT 200 billion financial support for the sector. Loans amounting to BDT 75.88 billion were approved for nearly 38,000 Covid-19-affected CMSMEs across the country during the period, according to the central bank's latest statistics.

<https://today.thefinancialexpress.com.bd/first-page/bb-extends-time-until-nov-30-1604253537>

<https://www.thedailystar.net/business/news/banks-get-more-time-disburse-loans-among-small-enterprises-1987897>

Publicly traded banks fare well amid Covid-19 pandemic

- Most of the listed banks have reported higher earnings per share (EPS) in the first nine months (January-September) of the ongoing calendar year, compared to the same period last year, due to relaxed loan classification and provisioning rules amid the Covid-19 pandemic. According to the Dhaka Stock Exchange (DSE) data as of Sunday (November 1), 29 out of 30 listed banks have disclosed their financial statements, where 18 banks saw higher EPS while 10 other banks witnessed negative income growth during the period.

- Bankers and experts said that most of the listed banks' earnings were healthier as the Bangladesh Bank in July eased loan classification and provisioning rules for cottage, micro, small and medium enterprises (CMSMEs), to encourage banks for disbursing more loans to them. According to Exim Bank Managing Director and CEO, the EPS increased mainly due to decrease in investment provision. The default loan also decreased due to capacity strengthening of the loan recovery teams, he added. A managing director of a stock brokerage house told that rise in profits at the banking sector bore good news for stock investors. The enhanced profitability of banks would thus have a positive impact in the stock market, he added.

<https://www.dhakatribune.com/business/stock/2020/11/01/publicly-traded-banks-fare-well-amid-covid-19-pandemic>

Now NBFi borrowers get loan moratorium until December 31

- Borrowers of non-bank financial institutions can now get away by not paying instalments until December, after the central bank on Sunday extended the loan moratorium facility for them by another three months. The central bank expects businesses to struggle to service

their loans, so until the end of this year, no loan would be classified as default even if repayments are missed. In other words, banks and NBFIs will have to maintain the same credit status of a borrower as on January 30 until the new deadline. This is the third extension of the loan moratorium facility for borrowers, first announced on March 24. The same rules will be applicable to borrowers who took credit in the form of working capital or demand loans.

<https://www.dhakatribune.com/business/banks/2020/11/01/now-nbfi-borrowers-get-loan-moratorium-until-december-31>

Remittances to reach USD 20 billion by December, says World Bank (WB)

- Bangladesh's remittance inflow is projected to grow by 8.0% this year, bucking the falling trend in the world and the region, the World Bank (WB) says. The country's external income from the migrant workers could reach USD 20 billion by December this year from the current level of USD 16 billion, the WB report said. In contrast, the Washington-based lender has said the global remittance flow to low and middle-income countries is projected to fall by 7.0% to USD 508 billion in 2020, followed by a further decline of 7.5%, to USD 470 billion in 2021. Although the remittances inflow to South Asia is projected to suffer a protracted decline of around 4.0% in 2020 and 11% in 2021, Bangladesh's foreign exchange income will be in a better position, the bank said.

- Describing reasons for the higher remittance forecast for Bangladesh, the WB said that the "Hajj effect" in Saudi Arabia seems to have affected the flows in July 2020 before it recovered further. A more important reason for a stunning 53.5% year-on-year increase in remittance flows in Q3 (Jul-Sep) could be the damage from the floods, affecting nearly 1.0 million homes and 4.7 million people. Other plausible explanations include pent up remittances after the shutdown in Q2 (Apr-Jun) and a shift in flows from informal to the formal channels, the bank stated.

<https://today.thefinancialexpress.com.bd/first-page/remittances-to-reach-20b-by-dec-says-wb-1604164274>

<https://www.dhakatribune.com/business/2020/10/31/remittances-continue-to-paint-bangladesh-s-economic-resilience>

<https://tbsnews.net/economy/bangladeshs-remittance-inflow-increase-8-fy20-despite-global-decline-world-bank-151843>

BD beats India, Pakistan in sustainable trade

- Bangladesh has surpassed India and Pakistan in terms of sustainable trade on the back of better performance in economic and social areas, says the Economist Intelligence Unit (EIU), reports thepolicytimes.com. The EIU is the research and analysis division of the Economist Group providing forecasting and advisory services. The country jumped five places up in the index scoring 49.3 out of 100 and ranked 12th among 20 Indo-Pacific economies.

<https://today.thefinancialexpress.com.bd/trade-market/bd-beats-india-pakistan-in-sustainable-trade-1604156432>

Low return on deposits lifts interest rate spread

- The interest rate spread in the country's banking system increased further in September 2020 as banks slashed rates on deposits more than those of lending. The weighted average spread between lending and deposit rates offered by commercial banks rose to

3.0% in September from 2.87% a month ago. It was 4.07% in March. The weighted average rate on deposits came down to 4.79% in September from 4.95% in August, while such rate on lending fell to 7.79% from 7.82%, revealed the Bangladesh Bank (BB)'s latest statistics.

Expansionary monetary policy of the central bank along with the implementation of the government's stimulus packages aiming to speed up recovery of the pandemic-hit economy have pushed up higher inflow of liquidity in the banking system. Meanwhile, the overall excess liquidity with the commercial banks hit all time high at around BDT 1.60 trillion in August 2020 from BDT 1.41 trillion a month before. Former chairman of the Association of Bankers, Bangladesh (ABB), said that the interest rates on lending will be decreased in the coming months mainly due to higher liquidity in the market.

<https://today.thefinancialexpress.com.bd/first-page/low-return-on-deposits-lifts-interest-rate-spread-1604164214>

Financial sector at risk from high default loans: IMF

- Ballooning defaulted loans have exposed Bangladesh's financial sector to greater risks, says the International Monetary Fund (IMF). Banks in Bangladesh conceal their defaulted loans, the report says, adding that the actual size of defaulted loans in the country's banking system is much higher than the figure released by the Bangladesh Bank. The IMF has suggested the banks to refrain from providing repeated loan restructuring facilities to large borrowers. It also mentioned that loan defaulters are taking undue advantage by obtaining stay orders from higher courts.

- The IMF, which promotes global economic growth and financial stability, believes that lending too much to some specific well-connected groups has also given rise to some kind of a risk in the overall financial sector. The organisation has urged the government to form a financial council to thoroughly review the risks in the financial sector and take necessary remedial measures. Economists and experts in Bangladesh largely agreed with the IMF while the finance ministry and the central bank disagreed with parts of the report.

- Officials from the finance ministry and the central bank spoke in favour of adopting reform measures to address some of the risks identified in the IMF report. Bangladesh, however, does not agree with most of the IMF observations, according to meeting sources.

<https://tbsnews.net/economy/banking/financial-sector-risk-high-default-loans-imf-152098>

Q1 public spending enters slow lane

- The public expenditure increased in the first quarter (Q1) of the current fiscal year (FY2020-21) but at its slowest pace in many years. Officials blamed the Covid-19 pandemic for the decline in the usual pace of economic activities, officials said. The budget spending in the July-September quarter stood approximately at BDT 895 billion, which was only 1.4% higher than the same quarter a year earlier, according to official sources.

- The overall size of the budget for the current financial is larger by nearly 13% than that of the last FY. Economists said restricting the unnecessary expenditure is a prudent step during the ongoing Covid-19 pandemic, but essential spending and implementation of job-creation projects should continue to prevent possible adverse impact on the economy. Traditionally, the government spending largely contributes to the economic growth. People familiar with the development told the FE that the government is releasing funds only for the top-priority development projects. Moreover, the contingency expenditure of different ministries and divisions has been cut by 50%, said one of the economists

<https://today.thefinancialexpress.com.bd/first-page/q1-public-spending-enters-slow-lane-1604164051>

Important News: Capital Market

BRAC allowed to purchase 25 million shares of BRAC Bank

- BRAC, the globally reputed NGO will purchase 25 million shares of BRAC Bank. The Bangladesh Securities and Exchange Commission (BSEC) on Wednesday waived the BRAC, a sponsor of BRAC Bank to a section of the securities rules to facilitate the execution of purchasing shares. BRAC is a leading sponsor of BRAC Bank and holds above 44% shares of the bank as per the financial statement for the year ended on December 31, 2019. At Wednesday's meeting, the securities regulator waived the BRAC from the compliance of the section 4(2) of the Bangladesh Securities and Exchange Commission (prohibition of insider trading) Rules, 1995. The section bars the sponsors, directors, among others, of listed companies to purchase or sell shares within two months ahead of the year-end.

<https://today.thefinancialexpress.com.bd/stock-corporate/brac-allowed-to-purchase-25m-shares-of-brac-bank-1604507103>

<https://www.dhakatribune.com/business/stock/2020/11/04/brac-to-raise-its-stake-in-brac-bank>

<https://www.thedailystar.net/business/news/brac-buy-25cr-brac-bank-shares-1989657>

Berger Paints to invest BDT 910 million for subsidiary company

- Berger Paints Bangladesh Limited, a publicly traded multinational company, is set to invest BDT 914.8 million on Jenson & Nicholson (Bangladesh) Limited (JNBL) for establishing the latter's second factory in Savar. The project is expected to be completed in 2022, according to an official disclosure posted by the companies on Dhaka Stock Exchange (DSE) website on Sunday. Berger Paints Bangladesh Limited owns 100% shares of JNBL. It is the pioneer metal can manufacture company in Bangladesh. The company has been involved in the metal container's business in Bangladesh since 1990.

<https://www.dhakatribune.com/business/stock/2020/11/01/berger-paints-to-invest-BDT-91c-for-subsiary-company>

<https://www.thedailystar.net/business/news/berger-set-second-metal-container-plant-1987905>

<https://tbsnews.net/economy/berger-investing-BDT-915-crore-paint-container-unit-152575>

Robi IPO subscription begins on Nov 17

- Robi Axiata is set to hit the market with the country's biggest ever initial public offering this month and the leading telecom operator has urged eligible investors to participate in its subscription process. The IPO subscription will start on November 17 and will continue till November 23. To become an eligible investor for the IPO, one has to show that he or she has at least BDT 10 million investment in market value as of November 9. During this period, general investors and non-resident Bangladeshis will also be allowed to subscribe to get the IPO.

- The country's second largest mobile phone operator will raise BDT 5.23 billion by issuing 523.7 million ordinary shares at face value. Of the amount, BDT 3.87 billion would be raised

from stock investors and the rest BDT 1.36 billion from its officials. The IPO proceeds will be used to expand the network. IDLC Investments is the issue manager of the IPO. The telecom company received the go-ahead from the Bangladesh Securities and Exchange Commission to go public on September 23. The company's paid-up capital was BDT 47.14 billion and turnover BDT 74.81 billion in 2019, according to the draft prospectus.

<https://www.thedailystar.net/business/news/robi-ipo-subscription-begins-nov-17-1989669>

IPO of Mir Akhter Hossain approved

• The securities regulator has approved the proposal of the prospectus of Mir Akhter Hossain as part of the process of raising capital worth BDT 1.25 billion from the capital market under book building method. The approval came Wednesday at a meeting held at the office of the Bangladesh Securities and Exchange Commission (BSEC). The company will utilise the fund to purchase machinery, repay bank loan, and bear the IPO (initial public offering) expense. As per the regulatory approval, Mir Akhter Hossain will offload above 20.77 million shares. Of 20.77 million shares, 10.38 million shares will be issued to eligible investors (EIs) at respective prices offered by EIs at the bidding. As the financial statement for the year ended on June 30, 2019, the company's net asset value (NAV) with revaluation reserve is BDT 34.71 per share, while the value is BDT 33.63 per share without revaluation reserve. The company's weighted average EPS stood at BDT 6.21 based on financials of five years.

<https://today.thefinancialexpress.com.bd/stock-corporate/ipo-of-mir-akhter-hossain-approved-1604507053>

<https://www.dhakatribune.com/business/stock/2020/11/04/mir-akhter-hossain-s-ipo-gets-the-green-light>

Stockbrokers can open booths at upazilas

• The Bangladesh Securities and Exchange Commission (BSEC) on Wednesday approved the 'Digital Booth (Stockbroker/TREC holder) Rules, 2020', allowing stockbrokers to set up digital booths under the supervision of its respective head office or branch offices. The booth can be opened at union centres at upazilas, business centres at district level and also commercial areas overseas. The decision was taken to expand stockbrokers' businesses and make it easier for investors to avail stock-related services.

<https://www.dhakatribune.com/business/stock/2020/11/04/stockbrokers-can-open-booths-at-upazilas>

Alltex Industries shuts factory for 45 days

• The board of directors of Alltex Industries has decided to temporarily shut down the factory for 45 days starting from Monday to carry out the refurbishment and reinstallation of underground gas lines. During the reconstruction of the gas line work, all production activities will remain suspended in the factory, said the company through a disclosure posted on the Dhaka Stock Exchange (DSE) website on Tuesday. Upon completion of the factory's gas line work and commencement of production, the company will provide an update in this regard, according to the disclosure.

• The Alltex Industries, which was listed on the DSE in 1996, is now being traded under the 'Z' category as the company failed to declare dividend for the last five years. The Alltex Industries' net loss stood at Tk 237.77 million in nine months for the period of July 2019-March 2020, according to information from the Dhaka bourse.

<https://today.thefinancialexpress.com.bd/stock-corporate/alltex-industries-shuts-factory-for-45-days-1604418765>

Berger Paints shines in post-lockdown world

• Berger Paints saw its profit soar 50% between July and September to BDT 661 million on the back of pent-up demand from the preceding three months, which was more or less a washout thanks to the countrywide shutdown to flatten the curve on coronavirus. This takes the company's profits in the first half of its 2020-21 financial year, which runs from April to March, to BDT 769 million, down 19.6% year-on-year. Like other organisations, this pandemic caused huge financial damage to them, said the managing director of Berger Paints Bangladesh.

• The shutdown was lifted on May 30 and with it seems the demand for paint returned gradually. Between April and June, the country's leading decorative paint manufacturer logged in sales of BDT 710 million. And in the following three months -- which coincided with the monsoon season, when construction activities and repainting work hits the slow lane -- sales stood at BDT 1.65 billion, up 11.5% year-on-year. She credited the sales spurt to pent-up demand from the shutdown period.

<https://www.dhakatribune.com/business/stock/2020/11/03/berger-paints-shine-in-post-lockdown-world>

Tax receipts from Dhaka Stock Exchange (DSE) slump 21% in October

• The government's revenue earnings from the Dhaka Stock Exchange (DSE) fell 21% month-on-month in October as trading volume was on the decline. Market analysts said declining trading activities coupled with lower share sales by sponsor-directors affected the government's earnings from the main bourse in October this year. The government bagged revenue worth BDT 216 million in October this year which was BDT 275 million a month ago in September, according to data from the DSE. The government earned the amount on TREC (trading right entitlement certificate) holders' commission and share sales by sponsor-directors and placement holders.

• Of the total earnings in the month, more than BDT 170 million came from the TREC holders' commission, popularly known as brokerage commission, while nearly BDT 46 million came from the share sales by sponsor-directors and placement holders, the DSE data shows. A DSE official said lower trading activities hit the government earnings from the prime bourse in October compared to September.

<https://today.thefinancialexpress.com.bd/stock-corporate/tax-receipts-from-dse-slump-21pc-in-october-1604418685>

Best Electronics to go public for BDT 1.00 billion

• Best Electronics Ltd, one of the fast-growing electronics retailers of the country, wants to raise BDT 1.00 billion on the stock market to expand its business. The company will issue an initial public offering (IPO) using the book-building method. With the IPO proceeds, the company, a sister concern of Zaman Group, says it will modernise all four units of its two factories in Gazipur and Chuadanga. Last year the company's annual revenue was around BDT 2.50 billion, with paid-up capital of BDT 450 million.

• The retailer began its journey in 2013 with an objective of delivering the home appliances

of all major global brands to the high-end consumer group of Bangladesh. Best Electronics, which had just 12 showrooms initially, has managed to open more than 120 showrooms across the country. Over the years, it has secured authorised distributorship of almost all major brands of home appliances around the world, including: Hitachi, Sharp, Panasonic, Whirlpool, Philips, V-Guard, Toshiba, and Midea.

- Best Electronics uses Conion as the brand name for its products. It produces fans, air conditioners, refrigerators, and other home appliances. The demand for Conion products is increasing on the market every day. Best Electronics and Prime Bank Investment, issue manager for the company, have provided all the information. The size of the fast-moving consumer goods industry is around BDT 267.00 billion and the market is growing at 11% plus annually.

<https://tbsnews.net/economy/stock/best-electronics-go-public- BDT 100cr-152998>

Hygiene obsession propels Reckitt Benckiser's profit in Q3

- Reckitt Benckiser, the maker of Dettol and Lysol disinfectants, saw its profit leap 10.6% to BDT 154 million in the third quarter, as enthusiasm for hygiene products is showing no sign of dimming. This takes the British hygiene, health and nutrition product manufacturer's profit in the nine months of 2020 to BDT 432 million, up 34.6% year-on-year, it said. Its products in Bangladesh include Finish, Lysol, Veet, Dettol, Air Wick, Durex, Mortein, Strepsils, Vanish, Trix, Mr Brasso, DermiCool and Harpic -- saw its sales soar about 23% year-on-year to BDT 1.45 billion between July and September.

- The third quarter performance of the British multinational company's Bangladesh subsidiary is in line with its global performance: last week, Reckitt Benckiser upgraded its full-year sales forecast to low double-digit growth from high single digits previously forecast. Chief executive officer of Reckitt Benckiser, expects consumers to continue to pay greater attention to their personal hygiene beyond the pandemic.

<https://www.dhakatribune.com/business/stock/2020/11/02/hygiene-obsession-propels-reckitt-benckiser-s-profit-in-q3>

Banglalink's revenue returns to growth

- Banglalink's revenue returned to positive territory in the third quarter of 2020 after tumbling in the second quarter, riding on strong growth in data use, said its parent company Veon in a new report. The third-largest carrier's revenue grew 0.8% to BDT 11.50 billion in the July-September quarter from BDT 11.44 billion in the same period a year ago. With this, the mobile operator recovered from a sharp fall a quarter ago. It had logged in BDT 11.08 billion in revenue in the April-June quarter, down 4.7% from the previous quarter and 4% from a year earlier.

- Revenue totalled BDT 34.20 billion in the three quarters this year, an increase of 0.2% year-on-year, the quarterly report of Veon showed. Mobile data revenue rose 20.2% year-on-year to BDT 2.80 billion in the third quarter as people use more internet than in the past owing to the coronavirus pandemic. As of September this year, the segment brought in BDT 8.40 billion for Banglalink, up 23% during the nine-month period a year ago. Banglalink's performance in the third quarter is quite satisfactory given the operational challenges we faced at that time due to the pandemic, floods, rough weather etc, said the chief executive officer of Banglalink.

- Despite the hurdles, they registered an impressive 20.2% year-on-year data revenue

growth in the quarter supported by the enhanced 4G network. With economic activities resuming across the country, they are gradually trying to recover from the pandemic effects. EBITDA advanced 8.4% to BDT 5.10 billion in the July-September quarter. The average revenue per user was BDT 1.16 billion, an increase of 2.7%.

<https://www.thedailystar.net/business/news/banglalinks-revenue-returns-growth-1987877>

Regulator now sets December 9 deadline

- The securities regulator has extended the deadline for sponsor-directors of the listed companies to comply with its directive to hold minimum 30% shares jointly up to December 9. The Bangladesh Securities and Exchange Commission (BSEC) recently sent letters to the companies, giving them 30 more working days to comply with the directive. On July 29, the securities regulator gave an ultimatum to 44 listed companies to fulfil the condition of holding minimum 30% shares within 60 working days. The 60-day time frame ended on October 27, but many companies failed to comply. These companies made a plea to extend the time frame

<https://today.thefinancialexpress.com.bd/first-page/regulator-now-sets-dec-9-deadline-1604253722>

IPO subscription of two companies this month

- The public subscription of two companies -- Robi Axiata Ltd., the country's second largest mobile phone operator, and Crystal Insurance Company Ltd. -- will begin this month. The initial public offering (IPO) subscription of Crystal Insurance Company will commence on November 10 at 10:00am, aiming to raise BDT 160 million from the capital market. The company's authorised capital is BDT 1.0 billion and pre-IPO paid-up capital is BDT 240 million. According to the financial statement ending June 30, 2019, the company's net asset value (NAV) per share was BDT 24.42 while earnings per share (EPS) were BDT 2.92. As per the regulatory approval, the company will issue 16 million ordinary shares with an offer price of BDT 10 each under the fixed price method.

- The IPO subscription of Robi Axiata is set to open on November 17. It will be the country's largest ever IPO till date. Investors will be able to apply to buy the company's primary shares until 5:30pm on November 23. As per the regulatory approval, Robi will raise a capital worth BDT 5.23 billion by offloading over 523.8 million ordinary shares at an offer price of BDT 10 each under the fixed-price method. The company will utilise the IPO proceeds for network expansion (98.47%) and bear the expense of public offering (1.53%). Robi reported an EPS (earnings per share) of BDT 0.04 for the year ended on December 31, 2019. For same period, the company's net asset value (NAV) without revaluation stood at BDT 12.64 per share. The company's weighted average EPS of five years is a negative value of BDT 0.13. The company's authorised capital is BDT 60 billion and pre-IPO paid-up capital is BDT 47.14 billion.

<https://today.thefinancialexpress.com.bd/stock-corporate/ipo-subscription-of-two-cos-this-month-1604247851>

Listed companies now can disburse interim cash dividend

- The securities regulator has allowed the listed companies to recommend and distribute interim cash dividend from retained earnings subject to fulfillment of other rules and requirements. Previously, the listed companies could not recommend and disburse interim dividend from retained earnings. According to BSEC, the listed companies will be able to

recommend and distribute interim cash dividend from retained earnings based on the latest financial statement subject to adjustment of quarterly losses or keeping provisions. It also said there is no mandatory requirement of auditing the quarterly statements in case of distributing interim cash dividends.

<https://today.thefinancialexpress.com.bd/stock-corporate/listed-cos-now-can-disburse-interim-cash-dividend-1604247883>

BSEC forms body to probe SS Steel's investment

• The stock market regulator on Thursday set up an inquiry committee to investigate SS Steel's decision to invest around BDT 1.60 billion to acquire 99% of Saleh Steel Industries' stakes. The Bangladesh Securities and Exchange Commission (BSEC) will take regulatory action if the committee finds any irregularity in this regard. On 4 August, 2020, the company's board of directors decided to make an equity investment in Saleh Steel to subscribe to 99% of its existing equity shares worth BDT 247.5 million. Also, SS Steel will invest BDT 1.34 billion in Saleh Steel. Following the move, Saleh Steel will issue new shares to SS Steel.

• SS Steel will finance its investment from the company – partly by taking share money deposits from its directors. SS Steel's board of directors made the decision at a time when the steel industry has already been struggling for a year. Things have become more difficult for the industry amid the pandemic outbreak. Saleh Steel produces and sells rods and coils under its brand name and its annual production capacity is around 84,000 tonnes, according to SS Steel.

<https://tbsnews.net/economy/stock/bsec-forms-body-probe-ss-steels-investment-152521>

BSEC imposes restrictions on MTB Securities for 3 IPOs

• The stock market regulator has imposed restrictions on the MTB Securities Ltd barring it from participating as an eligible investor in the next three initial public offerings in book building method, said sources. Besides, the Bangladesh Securities and Exchange Commission (BSEC) has also decided to take a regulatory action in this regard for the interest of investors after a hearing by the Enforcement Department of the commission. Sources at the commission said the MTB Securities violated securities rules in connection with the IPO application process of Walton Hi-Tech Industries Ltd.

• The brokerage firm could not process the public IPO application properly and submit its subscriptions money on time. The company also failed to submit IPO application data to the respective stock exchange within three working days from the cut-off date, added sources. BSEC Executive Director said that the MTB Securities claimed that they could not submit data to the Dhaka Stock Exchange due to IT problems. But the stock exchange found that the consolidated accounts of the company did not have adequate money for applications. As a result, they have imposed restrictions on the company.

<https://tbsnews.net/economy/stock/bsec-imposes-restrictions-mtb-securities-3-ipos-152539>

Chittagong Stock Exchange (CSE) offers free bulk, foreign trade to members

• In order to encourage more transactions in bulk and foreign windows, the Chittagong Stock Exchange (CSE) has declared a three-month long promotional program. In a statement, the port-city bourse on Thursday said its member brokers will not have to pay any charge to the exchange authority for bulk and foreign trades they execute in November

and December of this year as well as January of next year. The promotional offer is aimed at increasing the number of bulk and foreign portfolios on the capital market. The CSE firmly believes the new offer will be a pioneering business opportunity for its brokerage members and authentically motivate them to augment the amount of bulk and foreign turnover at the country's second bourse.

<https://tbsnews.net/economy/stock/cse-offers-free-bulk-foreign-trade-members-152038>

Index Agro bidding begins today

• The bidding to explore the cut-off price of shares of Index Agro Industries Limited will begin today (Sunday). Only the eligible investors (EIs) can participate in the price bidding which will continue until 5:00pm on November 4 (round the clock), according to a disclosure posted on the website of Dhaka Stock Exchange (DSE).

• The company will raise a capital worth BDT 500 million from the capital market. The company's IPO proceeds will be utilised for constructing buildings, purchasing machinery and bearing the IPO-related expenses. According to the financial statement for the year ended on June 30, 2019, the company's net asset value (NAV) per share stood at BDT 45.03 (with revaluation reserve) while the earnings per share (EPS) was BDT 7.07. The company also reported the weighted average EPS of BDT 5.60 based on financials of the last five years. Incorporated in 2000, Index Agro Industries commenced operations with a poultry hatching and breeder facility to cater to the growing demand for quality pullets for the promising local poultry industry.

<https://today.thefinancialexpress.com.bd/stock-corporate/index-agro-bidding-begins-today-1604156100>
<https://www.dhakatribune.com/business/stock/2020/10/31/index-agro-share-bidding-begins-sunday>

Zeal Bangla's share trading resumes today

• The Bangladesh Securities and Exchange Commission (BSEC) has decided to resume the trading of Zeal Bangla Sugar Mills Ltd shares from today. Earlier on September 14, the stock market regulator had suspended share trading of the company after the watchdog detected anomalies in the trading of the companies' shares.

• Recently, prices of junk and low capital stocks have also kept rising abnormally at the DSE. Prices of quality stocks such as Grameenphone, British American Tobacco Bangladesh, Square Pharma, and Brac Bank falling. On the other hand, share prices of fundamentally weak and low cap company Zeal Bangla rose significantly. The government holds 51% share of Zeal Bangla, while other institutions hold a stake of 13.93%, and general investors the remaining 35.07% of shares in the company.

<https://www.dhakatribune.com/business/stock/2020/10/31/zeal-bangla-s-share-trading-resumes-on-sunday>