

Weekly Market Update

Capital Market Overview

The market closed in green this week. The benchmark index DSEX (+0.79%) gained 51.41 points and closed the week at 6,560.02 points. The blue-chip index DS30 (+3.06%) gained 70.52 points and stood at 2,376.17 points. The Shariah-based index DSES (+2.28%) gained 32.06 points and stood at 1,441.25 points. The large cap index CDSET (+2.74%) gained 34.67 points and closed at 1,297.80 points. DSEX, DS30, DSES and CDSET showed YTD returns of -2.91%, -6.18%, +0.71%, -4.51%, respectively.

Total Turnover During the Week (DSE): BDT 90.9 billion (USD 957 million)

Average Daily Turnover Value (ADTV): BDT 18.2 billion (Δ% Week: -4.4%)

Market P/E: 16.0x

Daily Index Movement during the Week

Market performed five sessions during this week. Market started on a negative note (-0.29%) on Sunday. It remained negative (-0.90%) on Monday. It turned positive on Tuesday (+0.62%) and stayed positive on Wednesday (+1.18%). Moreover, market ended on a positive note (+0.19%) on Thursday.

Sectoral Performance

- Financial sectors posted mixed performance this week. Life Insurance booked the highest gain of 1.47% followed by Bank (+0.03%). Mutual Fund experienced the highest loss of 4.28% followed by NBF1 (-2.22%), General Insurance (-1.18%).

- Most of the non-financial sectors registered negative performance this week. Fuel & Power experienced the highest loss of 1.26% followed by Engineering (-1.07%), Food & Allied (-0.96%), Telecommunication (-0.23%), and Pharmaceutical (+3.04%).

Macroeconomic arena

- India offers free transit to Bangladesh for exports to third countries. Tax return verification goes online. Cabinet committee approves contract extension of 4 rental power plants, 200,000 MT rice import from Myanmar. For a level playing field, textile millers demand changes in cotton rulebook. BB seeks explanation from 6 more banks on profit from dollar sales. BB extends export proceeds retention period to 30 days. FMCG retail price hikes to be verified for reasonability. Evening banking to remain closed until further notice. India's USD7.862 Bn line of credit: Only USD1.5 Bn from LoC unlocked so far. Bangladesh Bank discontinues 360-day special repo. Local firms gain ground in making lights. Foreign exchange rates stable after BB tightens spending.

- Yuan gains while dollar shrinks in Bangladesh reserve. BB asks banks to cut energy use. External sector volatility eases on austerity. Non-RMG exports stuck at 20%. Bangladesh Bank introduces RTGS for swift inter-bank forex exchange. NBF1 boards can reschedule loans with just 4% down payment. Exports grow 38% YoY in August riding on RMG, home textiles. MFS distributors, agents now can transact on weekends, holidays. HZ Outdoor to make USD6.0 Mn apparel invest in Karnaphuli EPZ. July trade deficit nearly USD2.0 Bn despite lower imports. Govt meets rice procurement target, lags behind in boro paddy collection. Remittance exceeds USD2 Bn in August too. Govt mulls providing diesel subsidy to Boro farmers. FBCCI seeks JICA assistance in setting up lab at ports. Central bank makes BDT263 Bn profit from taka devaluation in FY22.

Stock Market arena

- Ibn Sina to transfer net assets of BDT208 Mn to its subsidiary. Genex Infosys secures BDT600 Mn revenue through renewing deal with Banglalink. LankaBangla Finance director to sell 20 lakh shares. Meghna Life declares 25% dividends. IBN Sina Pharma declares highest cash dividend in 13 years. National Tea to increase paid-up capital through private placements. Master Feed recommends 10% cash dividend. Phoenix Finance incurs losses for the first time. No decision on floor price yet: BSEC chairman. Prime Bank moves for collaboration with Union Capital. Olympic Industries to boost production capacity. Fu-Wang Ceramic to invest BDT6.50 Bn in greenfield tiles plant. Nahee Aluminum to invest BDT270 Mn in new manufacturing project.

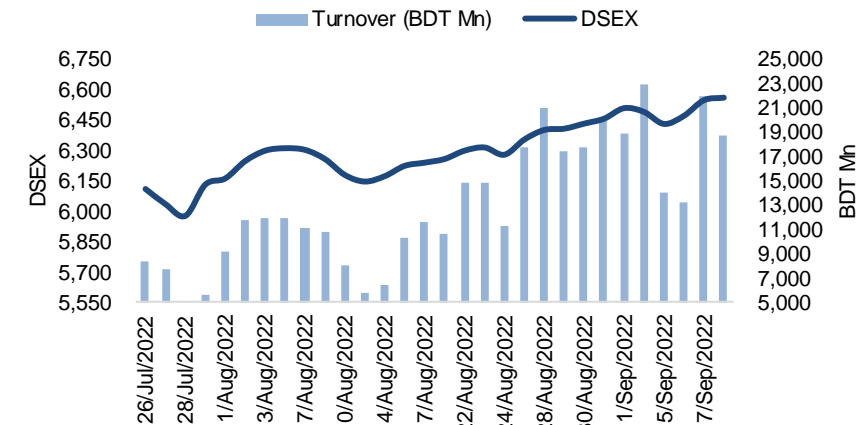
Table 1: Index

Index	Closing*	Opening*	Δ(Pts)	30-Dec-2021	Δ% Week	Δ% YTD
DSEX	6,560.02	6,508.61	+51.41	6,756.66	+0.79%	-2.91%
DS30	2,376.17	2,305.66	+70.52	2,532.58	+3.06%	-6.18%
DSES	1,441.25	1,409.19	+32.06	1,431.12	+2.28%	+0.71%
CDSET	1,297.80	1,263.13	+34.67	1,359.13	+2.74%	-4.51%

Table 2: Market Statistics

		This Week	Last Week	% Change
M cap	M n BDT	5,225,089	5,218,853	+0.1%
	M n USD	55,001	54,935	
Turnover	M n BDT	90,912	95,145	-4.4%
	M n USD	957	1,002	
Average Daily Turnover	M n BDT	18,182	19,029	-4.4%
	M n USD	191	200	
Volume	M n Shares	1,765	2,376	-25.7%

Figure 1: DSEX & Turnover in last four weeks



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Table 3: Top Ten Gainers

Company Name	Close*	Open*	Δ%	Mcap**	Turnover**	PE	PB
ORIONINFU	419.0	310.3	+35.0%	8,531	1636.9	NM	30.9x
KOHINOOR	6317	475.6	+32.8%	16,128	683.4	57.5x	11.1x
BEACONPHAR	327.9	260.2	+26.0%	75,745	373.0	81.0x	13.0x
ORIONPHARM	125.9	104.8	+20.1%	29,461	5,955.1	30.7x	15x
SONALIANSH	603.0	510.1	+18.2%	1,635	228.2	NM	2.6x
SEAPPEARL	68.6	58.7	+16.9%	8,283	490.2	NM	5.9x
IBNSINA	342.5	302.2	+13.3%	10,701	218.2	17.7x	4.1x
DGIC	41.3	36.5	+13.2%	1,652	172.5	30.6x	3.4x
FINEFOODS	59.6	52.7	+13.1%	833	345.1	NM	5.6x
SUNLIFEINS	69.9	63.2	+10.6%	2,500	178.6	NM	NM

Table 4: Top Ten Losers

Company Name	Close*	Open*	Δ%	Mcap**	Turnover**	PE	PB
PHOENIXFIN	16.3	20.5	-20.5%	2,704	1618	NM	0.9x
EHL	82.4	1014	-18.7%	7,692	2,341.0	16.7x	1.1x
UNIONCAP	9.6	115	-16.5%	1,657	97.1	NM	NM
SEMLFBSLGF	8.4	9.8	-14.3%	613	7.3	NM	0.8x
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NTC	681.9	792.4	-13.9%	4,501	2313	NM	13.1x
APEXFOODS	227.3	262.6	-13.4%	1,296	243.5	79.8x	17x
PAPERPROC	222.2	252.4	-12.0%	2,322	365.6	72.8x	7.5x
PRIMEFIN	12.9	14.6	-11.6%	3,521	139.8	32.2x	1.2x
EBLNRBMF	6.5	7.3	-11.0%	1,458	75.2	NM	0.7x

Table 5: Top Ten Most Traded Shares

Company Name	Close*	Open*	Δ%	Mcap**	Turnover**	PE	PB
BEXIMCO	132.1	123.6	+6.9%	15,762	6,632.0	8.0x	15x
ORIONPHARM	125.9	104.8	+20.1%	29,461	5,955.1	30.7x	15x
LHBL	82.8	78.9	+4.9%	96,162	3,651.6	24.6x	5.4x
JHRML	92.7	84.7	+9.4%	11,615	2,945.3	31.3x	3.0x
NAHEEACP	79.9	72.3	+10.5%	5,462	2,435.1	27.4x	4.3x
EHL	82.4	1014	-18.7%	7,692	2,341.0	16.7x	1.1x
DELTALIFE	150.2	166.5	-9.8%	18,587	1,952.1	NM	NM
BSC	136.8	140.4	-2.6%	20,867	1,864.2	10.1x	2.0x
NPOLYMER	62.2	69.2	-10.1%	4,540	1,674.8	20.3x	2.2x
ORIONINFU	419.0	310.3	+35.0%	8,531	1636.9	NM	30.9x

Table 6: Most Appreciated YTD in BRAC EPL Universe

Company Name	Close*	YTD %Δ	Mcap**	PE	PB
IPDC	69.9	+81.1%	25,939	28.4x	4.1x
SQUARETEXT	74.8	+43.3%	14,754	8.6x	1.7x
UNIQUEHRL	63.8	+27.1%	18,783	21.8x	0.7x
IBNSINA	342.5	+26.2%	10,701	17.7x	4.1x
CROWNCEMNT	74.4	+19.6%	11,048	37.8x	1.4x
TITASGAS	42.9	+18.2%	42,438	12.7x	0.6x
ADNTEL	61.9	+18.1%	4,002	24.0x	2.3x
LHBL	82.8	+16.5%	96,162	24.6x	5.4x
ACMELAB	97.6	+12.8%	20,652	10.4x	1.0x
SHASHADNIM	27.3	+11.4%	3,850	14.9x	0.6x

Table 7: Sector Indices

Sector Name	Week Close*	Week Open*	Year Open*	Δ% Week	Δ% YTD
Bank	1463.6	1463.2	1589.69	+0.03%	-7.93%
NBFI	2,067.9	2,114.8	2,327.63	-2.22%	-11.16%
Mutual Fund	854.5	892.7	882.99	-4.28%	-3.22%
General Insurance	3,267.8	3,306.9	4,698.62	-1.18%	-30.45%
Life Insurance	2,485.7	2,449.8	2,687.55	+1.47%	-7.51%
Telecommunication	4,960.9	4,972.2	5,800.37	-0.23%	-14.47%
Pharmaceutical	4,001.7	3,883.6	3,866.63	+3.04%	+3.49%
Fuel & Power	1,760.5	1,782.9	1,792.97	-1.26%	-1.81%
Cement	2,794.9	2,710.9	2,534.76	+3.10%	+10.26%
Services & Real Estate	1,559.0	1,692.9	1,309.43	-7.91%	+19.06%
Engineering	4,616.3	4,666.4	4,727.46	-1.07%	-2.35%
Food & Allied	21,486.8	21,695.4	25,222.81	-0.96%	-14.81%
IT	2,562.9	2,629.3	3,274.61	-2.52%	-21.73%
Textile	1,745.8	1,752.0	1,470.60	-0.36%	+18.71%
Paper & Printing	10,529.7	11,454.4	9,680.03	-8.07%	+8.78%
Tannery	3,103.3	3,135.6	3,236.76	-1.03%	-4.12%
Jute	9,941.7	9,504.1	8,747.84	+4.60%	+13.65%
Ceramics	743.8	779.7	675.88	-4.60%	+10.06%
Miscellaneous	4,523.1	4,458.2	4,625.39	+1.46%	-2.21%

Table 8: Sector Trading Matrix

Sector Name	Daily average this week	Daily average last week	% Change	% of Total Turnover	PE	PB
Bank	5214	7112	-26.70%	+2.98%	7.8x	0.8x
NBFI	6310	1033.8	-38.97%	+3.61%	NM	3.9x
Mutual Fund	87.8	149.1	-41.11%	+0.50%	NM	0.8x
General Insurance	333.5	516.6	-35.45%	+1.91%	15.3x	15x
Life Insurance	680.5	602.5	+12.95%	+3.89%	NM	NM
Telecommunication	189.7	117.8	+61.03%	+1.09%	15.5x	4.6x
Pharmaceutical	3,252.8	2,253.5	+44.34%	+18.62%	18.8x	2.7x
Fuel & Power	1005.0	960.4	+4.64%	+5.75%	116x	12x
Cement	779.5	542.9	+43.57%	+4.46%	29.2x	2.9x
Services & Real Estate	1,185.4	1,129.7	+4.93%	+6.78%	85.7x	12x
Engineering	2,069.1	2,119.8	-2.39%	+11.84%	20.4x	19x
Food & Allied	844.3	1,059.0	-20.27%	+4.83%	23.0x	8.1x
IT	532.4	454.3	+17.21%	+3.05%	27.2x	2.3x
Textile	1,843.4	3,300.2	-44.14%	+10.55%	27.6x	1.1x
Paper & Printing	466.7	540.3	-13.62%	+2.67%	NM	2.8x
Tannery	97.3	475.4	-79.53%	+0.56%	35.2x	3.2x
Jute	512	22.1	+131.75%	+0.29%	NM	34.3x
Ceramics	389.4	310.7	+25.33%	+2.23%	32.3x	2.1x
Miscellaneous	2,512.0	2,079.2	+20.81%	+14.38%	12.4x	2.1x

Table 9: Least Appreciated YTD in BRAC EPL Universe

Company Name	Close*	YTD %Δ	Mcap**	PE	PB
PIONEERINS	71.5	-32.7%	6,054	10.7x	1.4x
HEIDELBCEM	183.7	-32.6%	10,380	NM	2.9x
LANKABAFIN	26.8	-28.2%	14,441	11.9x	1.4x
BRACBANK	38.5	-25.2%	57,619	11.3x	1.0x
ACTIVEFINE	19.7	-23.0%	4,727	85.7x	0.9x
BATBC	518.7	-18.4%	280,098	18.1x	7.4x
GP	287.0	-17.9%	387,536	11.4x	7.7x
DBH	58.5	-16.5%	11,407	10.4x	1.5x
RECKITT BEN	4,935.5	-13.9%	23,320	30.9x	57.2x
ROBI	30.0	-13.3%	157,138	NM	2.4x

Important News: Business & Economy

India offers free transit to Bangladesh for exports to third countries

- India has offered free transit via its territory to Bangladesh for exporting its products to third countries through specified land customs stations, airports and seaports. In this regard, the Indian side invited Bangladesh business community for using its port infrastructure for transshipment to third countries.

<https://www.tbsnews.net/bangladesh/india-offers-free-transit-bangladesh-exports-third-countries-491934>

Tax return verification goes online

- The tax department has recently launched an online service that enables public and private offices to check whether a taxpayer has submitted the returns against their taxpayer identification numbers after logging into the revenue board website. After introducing the system on 21 August, the department said it has received a huge response from the offices concerned so far.

<https://www.tbsnews.net/economy/tax-return-verification-goes-online-492046>

Cabinet committee approves contract extension of 4 rental power plants, 200,000 MT rice import from Myanmar

- Some 11 proposals including extension of four rental power plants and import of 200,000 metric tons of rice from Myanmar received the nod of the Cabinet Committee on Government Purchase (CCGP) on Wednesday. Agriculture Minister Mohammad Abdur Razzaque presided over the meeting due to non-availability of Finance Minister AHM Mustafa Kamal.
- According official sources, rental plants are 100 MW Julda, Chattagram, plant of Acorn Infrastructure Services Ltd, 50 MW Katakali, Rajshahi power plant of Northern Power Solutions Ltd, 100 MW Keraniganj plant of PowerPac Mutiara Keraniganj Power Plant Ltd and 50 MW Amnura, Chapainabganj plant of Sinha Power Generation Company Ltd.
- The CCGP approved a Food Ministry's approval to import 200,000 MT of white rice (Atop) from Myanmar under a G-to-G contract. The entire consignment will cost a total of USD90.1 Mn while each ton will cost USD465.5, said a top official of the Food Ministry.

<https://www.tbsnews.net/economy/cabinet-committee-approves-contract-extension-4-rental-power-plants-200000-mt-rice-import>

For a level playing field, textile millers demand changes in cotton rulebook

- Bangladeshi textile millers are going to put forward at least seven points at a meeting with the International Cotton Association on Thursday, according to sources, seeking changes in the cotton rulebook for ensuring equal treatment for both the cotton buyer and seller.
- The points include mandating written confirmation for a cotton contract, mediation before arbitration, mandating oral hearing for arbitration, payment of appeal deposit in local currencies and setting up a laboratory in Bangladesh. Local textile millers said rules of the International Cotton Association – the apex body for cotton buyers and sellers – are currently more favourable for cotton sellers.

<https://www.tbsnews.net/economy/industry/level-playing-field-textile-millers-demand-changes-cotton-rulebook-492122>

BB seeks explanation from 6 more banks on profit from dollar sales

- The Bangladesh Bank has sought explanations from six more banks over making extra profit from dollar trading. In a letter to the banks, the central bank on Wednesday asked the managing directors of Bank Asia, NCC Bank, United Commercial Bank (UCB), Dhaka Bank, Mercantile Bank and HSBC Bank to respond within the next five working days, according to a central bank source.

<https://www.tbsnews.net/economy/banking/bb-seeks-explanation-6-more-banks-profit-dollar-sales-492130>

BB extends export proceeds retention period to 30 days

- The Bangladesh Bank (BB) has allowed banks to retain the value-added portion of export proceeds in foreign currency for a maximum period of 30 days. At the same time, exporters can also transfer the dollars to other banks within the prescribed time, according to a circular issued by the central bank's Foreign Exchange Policy Department on Tuesday (6 September).
- The new policy would also allow exporters to make payment to back-to-back loans, export development funds and import liabilities. As a result of the new guidelines, exporters will be able to pay the import liabilities of other banks with their own foreign currency without exchange losses.

<https://www.tbsnews.net/economy/banking/bb-extends-export-proceeds-retention-period-30-days-491198>

FMCG retail price hikes to be verified for reasonability

- The Directorate of National Consumers Right Protection (DNCRP) will form a committee to investigate whether recent hikes in the retail prices of fast-moving consumer goods (FMCG) were a reasonable ripple effect of external factors. The factors include a rise in the price of raw materials, fuel, shipping and transportation costs and exchange rate of the dollar against the taka.

<https://www.thedailystar.net/business/economy/news/fmcg-retail-price-hikes-be-verified-reasonability-3113931>

Evening banking to remain closed until further notice

- The Bangladesh Bank (BB) has ordered banks to halt evening banking activities until further instructions to save electricity. The Banking Regulations and Policy Department of the central bank issued the instruction on Tuesday. The decision has been taken in the light of the changes brought by the government in office schedule for power saving, the circular reads.

<https://www.tbsnews.net/economy/banking/evening-banking-remain-closed-until-further-notice-491034>

India's USD7.862 Bn line of credit: Only USD1.5 Bn from LoC unlocked so far

- India has yet to relax terms and conditions binding the use of its USD7.862 Bn line of credit (LoC) which affected the execution of over 30 projects ongoing, insiders have said. New Delhi has disbursed only USD1.32 Bn worth of funds in 12 years to the last fiscal (FY2022) due to tougher procurement conditions, they said Monday.
- The disbursed loan accounts for only 17% of the total amount pledged in the development-credit line. Meanwhile, government officials said there is no agenda about the LoC during Prime Minister Sheikh Hasina's visit to New Delhi. "We've been requesting India for last 4-5 years to relax terms and conditions, especially on procurement issues. But we are yet to attain the expected outcome," says a senior Ministry of Finance (MoF) official.

<https://thefinancialexpress.com.bd/economy/indias-7862b-line-of-credit-only-15b-from-loc-unlocked-so-far-1662432822>

Bangladesh Bank discontinues 360-day special repo

- The central bank today scrapped the 360-day special repo facility thanks to the improvement in the coronavirus situation and a lack of demand for the borrowing tool. In May 2020, the Bangladesh Bank introduced the special repo in order to implement the stimulus packages, unveiled by the government and the BB, and to ensure smooth liquidity management.

<https://www.thedailystar.net/business/news/bangladesh-bank-discontinues-360-day-special-repo-3112431>

Local firms gain ground in making lights

- Bangladesh's entrepreneurs have made a lot of advancements in building their capacity to make lighting products and accessories for residential and industrial use. Today, more than a dozen of local lighting solutions providers, assemblers and manufacturers produce a good range of energy-efficient LED (light-emitting diode) lights, thanks to duty benefits provided by customs authorities to facilitate the imports of chips and other components with a view to encouraging domestic capacity building.

<https://www.thedailystar.net/business/economy/news/local-firms-gain-ground-making-lights-3112836>

Foreign exchange rates stable after BB tightens spending

- Bangladesh Bank's move to curb foreign currency spending has resulted in stability in the market after a jump in hiking exchange rates over the last four months. Through several regulatory measures against some banks and money exchange houses, the volatile forex market is seemingly stable now. Banks' and kerb market's exchange rate of US dollar stood at BDT 95 and BDT 98-100 respectively.

<https://thefinancialexpress.com.bd/economy/foreign-exchange-rates-stable-after-bb-tightens-spending-1662380044>

Yuan gains while dollar shrinks in Bangladesh reserve

- With China emerging as a major economic power, being the second largest economy after the United States, it has become a country of tremendous influence in the global economy and financial markets. In the last decade, it has contributed more than 30% to global economic growth, according to reports.
- The Bangladesh Bank has been building up the share of yuan in its foreign exchange reserve, cutting down the share of dollar as the Chinese currency is gaining acceptance faster in global markets for international payments as an alternative to the greenback. The share of yuan in Bangladesh's foreign exchange reserve increased to 1.32% in August this year from 1% in 2017 when the dominating US dollar reserve fell significantly to 75% from 81% during the period, according to Bangladesh Bank data.
- Other reserve currencies have also seen a surge. For instance, the euro is the second highest reserve currency and the share of euro holdings increased to 5% in August this year from 3.84% in 2017 while the share of the pound increased to 4.4% from 3.43%, according to central bank data.

<https://www.tbsnews.net/economy/yuan-gains-while-dollar-shrinks-bangladesh-reserve-490798>

BB asks banks to cut energy use

- Bangladesh Bank yesterday asked banks to reduce use of electricity and energy consumption as part of the austerity measures taken by the government to contain the volatility in the foreign exchange market. In late July, Bangladesh Bank asked the lenders to cut back allocations for the use of petrol, diesel, gas and lubricant by at least 20% within this fiscal year.

<https://www.thedailystar.net/business/economy/news/bb-asks-banks-cut-energy-use-3112011>

External sector volatility eases on austerity

- Austerity works as Bangladesh's import orders dropped nearly 24% or USD1.77 Bn in August following regulatory measures to ease pressure on the economy from forex crunch, officials said. The opening of letters of credit (LCs), generally known as import orders, came down to USD5.65 Bn in August 2022 from USD7.42 Bn in the same month of the previous calendar year, according to the central bank's latest statistics. It was USD6.22 Bn in July 2022.

<https://thefinancialexpress.com.bd/economy/external-sector-volatility-eases-on-austerity-1662432004>

Non-RMG exports stuck at 20%

- The share of non-apparel products in Bangladesh's exports has been stuck at about 20% for the past 10 years though the three consecutive five-year plans of the government emphasised diversifying the export base by promoting other products than readymade garments. Experts and exporters said that the export share of non-RMG products remained stagnant due to various reasons, including the lack of proper policy support.

<https://www.newagebd.net/article/180319/non-rmg-exports-stuck-at-20pc>

Bangladesh Bank introduces RTGS for swift inter-bank forex exchange

- The Bangladesh Bank has started instant inter-bank foreign currency transactions through an online-based real-time gross settlement (RTGS) facility. Banks are primarily clearing and settling in US dollars, British pounds, euros, Canadian dollars and Japanese yen through RTGS.
- Bangladesh Bank Governor Abdur Rauf Talukder officially inaugurated the programme on Sunday (4 September). Until now, five foreign currencies including the dollar, pound, and euro were settled in a traditional transaction system where banks used paper documents and sent representatives to another bank for settlement.

<https://www.tbsnews.net/economy/banking/bangladesh-bank-introduces-rtgs-swift-inter-bank-forex-exchange-490102>

NBFI boards can reschedule loans with just 4% down payment

- The Bangladesh Bank has now empowered the boards of non-bank financial institutions (NBFIs) to reschedule and restructure their defaulted loans like banks. From now on, a defaulted loan can avail the rescheduling facility for up to 21 years in four phases. And there will be an opportunity to renew the loan with only a 4% down payment in the first phase, according to guidelines the Bangladesh Bank issued on Sunday.
- The down payment has been fixed at 5% of the total outstanding for the second time and 6% for the third and fourth times. Earlier, borrowers had to make a down payment of 10%, 20% and 30% for the first, second and third times, respectively.

<https://www.tbsnews.net/economy/banking/nbfi-boards-can-reschedule-loans-just-4-down-payment-490270>

Exports grow 38% YoY in August riding on RMG, home textiles

- Exports grew by around 38% to USD4.67 Bn in August compared with the same month last year driven by a number of products including readymade garments, home textiles, leather and jute goods, according to the Export Promotion Bureau (EPB).
- With the year-on-year export growth of more than 25% in the last two months, industry insiders say, the increased price of raw materials, increase in freight cost as well as shifting of some orders from China to Bangladesh are the main reasons behind the export growth.

<https://www.tbsnews.net/economy/exports-grow-38-yoy-august-riding-rmg-home-textiles-489618>

MFS distributors, agents now can transact on weekends, holidays

- The Bangladesh Bank has allowed the distributors of mobile financial services (MFS) to have e-money and cash transactions on weekends and public holidays. On Sunday (4 September), the Payment Systems Department of the central bank issued a notification in this regard.
- The new rules will allow MFS distributors to trade e-money in exchange for cash after collecting it from their agents. But a distributor will not be able to transact more than BDT5.0 Mn in a day.

<https://www.tbsnews.net/economy/banking/mfs-distributors-agents-now-can-transact-weekends-holidays-490206>

HZ Outdoor to make USD6.0 Mn apparel invest in Karnaphuli EPZ

- HZ Outdoor International Co Limited, a China-Taiwanese company, is going to set up a ready-made garment and bag manufacturing industry in Karnaphuli Export Processing Zone (KEPZ) with an investment of USD6.03 Mn. The fully foreign-owned company will annually produce 3.08 Mn pieces of jackets, bags, shirts, pants, shirts, trousers, caps/hats, skirts, vests and socks.

<https://www.tbsnews.net/economy/kep-z-get-6m-investment-rmg-bag-manufacturing-industry-490174>

July trade deficit nearly USD2.0 Bn despite lower imports

- The trade deficit in July – the first month of the current fiscal year – stood at USD1.98 Bn, despite lower imports owing to various conditions imposed by the central bank to keep the country's foreign exchange reserves stable. The deficit is USD628 Mn or a 46.41% increase from USD1.35 Bn in the same month of the last fiscal year.

<https://www.tbsnews.net/economy/july-trade-deficit-nearly-2b-despite-lower-imports-490186>

Govt meets rice procurement target, lags behind in boro paddy collection

- While the government has achieved 97% of the rice collection target, it could not meet even half the paddy procurement target, which stands at only 40.39% as farmers sold less paddy to the government due to such issues as low production and high prices in local market.
- According to data from the food ministry, the government procured 0.262 Mn tonnes of paddy against the target of 0.65 Mn tonnes during the last Boro collection season – 59.61% less than the target.

<https://www.tbsnews.net/economy/govt-meets-rice-procurement-target-lags-behind-boro-paddy-collection-489730>

Remittance exceeds USD2 Bn in August too

- With a cloud of uncertainty growing over the export due to recession fears in Europe and USA, remittance prospects look promising as the money sent home by expatriates exceeded the USD2 Bn mark for the second month in a row.
- Bangladesh received USD2.03 Bn in remittances from expatriate workers in August – up 12.6% from a year earlier – owing to pricier US dollar in the formal banking channel and several government incentives, the central bank said on Thursday. In August 2021, remittances from Bangladeshis working abroad was USD1.81 Bn.

<https://www.tbsnews.net/economy/remittance-exceeds-2b-august-too-488162>

Govt mulls providing diesel subsidy to Boro farmers

- The government is considering subsidising diesel prices for Boro farmers in the wake of the rising cost of fuel in the local market and fear of climate change-induced expenditure increase in the cultivation of the paddy.
- "The price of diesel is exorbitant right now. Meaning, farmers will have to spend more in the Boro season," Agriculture Minister Abdur Razzaque while addressing a programme on Thursday in the capital. He said the government is considering providing the subsidy in a similar fashion to the subsidy provided to farmers for fertilisers.

<https://www.tbsnews.net/bangladesh/energy/govt-mulls-providing-diesel-subsidy-boro-farmers-488298>

FBCCI seeks JICA assistance in setting up lab at ports

- Federation of Bangladesh Chambers of Commerce and Industries (FBCCI) has sought financial and technical assistance from Japan International Cooperation Agency (JICA) in establishing lab facilities at land, sea and international airports of the country.
- FBCCI Senior Vice President Mostofa Azad Chowdhury Babu made this call during a meeting with representatives of JICA and Bangladesh Food Safety Authority (BFSA) at FBCCI on Thursday, said a press release. "North-Eastern states of India have huge demand for food and agro products. Therefore, accredited lab facilities at land ports will facilitate exporting these products to those states," Mostofa Azad further said.

<https://www.tbsnews.net/economy/fbcci-seeks-jica-assistance-setting-lab-ports-488258>

Central bank makes BDT263 Bn profit from taka devaluation in FY22

- The Bangladesh Bank has made a profit of nearly BDT263 Bn from foreign currency revaluation in the last fiscal year. The huge exchange gains came in the form of a faster devaluation of the taka, which pushed its total profit up to BDT292.47 Bn in FY22 – more than five times higher than the BDT57.77 Bn in FY21, according to the Bangladesh's Bank annual report for the last fiscal year.

<https://www.tbsnews.net/economy/banking/central-bank-makes-tk26300cr-profit-taka-devaluation-fy22-487906>

Important News: Capital Market

Ibn Sina to transfer net assets of BDT208 Mn to its subsidiary

- The Ibn Sina Pharmaceutical Industry, a listed company, will transfer net assets of over BDT 208.16 Mn of its natural medicine division to its subsidiary company, The Ibn Sina Natural Medicine. The company's board of directors has taken the decision on the net asset transfer, subject to shareholders' approval and compliance of regulatory requirements, the company said in a filing with Dhaka Stock Exchange (DSE).

<https://thefinancialexpress.com.bd/stock/ibn-sina-to-transfer-net-assets-of-tk-208m-to-its-subsidiary-1662523621>

Genex Infosys secures BDT600 Mn revenue through renewing deal with Banglalink

- Genex Infosys Limited – the largest call centre service provider in Bangladesh – has renewed its contract with Banglalink Digital Communications Ltd which will generate BDT600 Mn in revenue for the call centre in the next five years. On Tuesday evening, the board of Genex Infosys approved the renewal of the contract to provide call centre services to the mobile network operator. The two parties first signed the contract in 2017 for a tenure of five years.

<https://www.tbsnews.net/economy/stocks/genex-infosys-secures-tk60cr-revenue-through-renewing-deal-banglalink-492050>

LankaBangla Finance director to sell 20 lakh shares

- Aneesha Mahial Kundanmal, one of the sponsor-directors of LankaBangla Finance Ltd, announced her intention to sell 2 Mn of the company shares out of her holdings of 41.5 Mn shares. The selling would be at market value in the public market of the Dhaka Stock Exchange (DSE) within the next 30 working days, according to a stock exchange disclosure.

<https://www.tbsnews.net/economy/stocks/lankabangla-finance-director-sell-20-lakh-shares-492066>

Meghna Life declares 25% dividends

- The board of directors of Meghna Life Insurance Company Ltd recommended 25% dividends - 15% cash and 10% stock - for the year that ended on 31 December, 2021. The annual general meeting (AGM) for shareholders to consider dividend payment proposals along with other agenda will be held on 19 October on a digital platform. The record date to identify eligible shareholders who can join the AGM and avail dividends will be 25 September.

<https://www.tbsnews.net/economy/stocks/meghna-life-declares-25-dividends-490722>

IBN Sina Pharma declares highest cash dividend in 13 years

- IBN Sina Pharmaceutical Industry Ltd – an enterprise of the IBN Sina Trust — has recommended a 60% cash dividend for the 2021-22 fiscal year, which is the highest since fiscal 2008-09. In fiscal 2020-21, the drugmaker paid a 47% cash dividend to its shareholders.
- In FY22, the company's consolidated earnings per share (EPS) increased 24% to BDT19.39, from BDT15.66 in FY21, according to its stock exchange filing on Tuesday. The medicine manufacturer will hold an annual general meeting (AGM) on 30 October through a digital platform. It has fixed 29 September as the record date to identify the beneficiaries of the dividends.

<https://www.tbsnews.net/economy/stocks/ibn-sina-pharma-declares-highest-cash-dividend-13-years-491270>

National Tea to increase paid-up capital through private placements

- National Tea Company Limited has decided to increase its paid-up capital through private placements among the existing shareholders. The general shareholders will be eligible to receive three newly-issued shares against each of their current holdings.
- Each share will be priced at BDT118 – BDT10 as face value and BDT108 as premium, the company decided in its board meeting on Monday. The price is subject to the approval of the Bangladesh Securities and Exchange Commission (BSEC).

<https://www.tbsnews.net/economy/stocks/national-tea-increase-paid-capital-through-private-placements-491278>

Master Feed recommends 10% cash dividend

- Master Feed Agrotec – which is traded at the SME platform of the Dhaka Stock Exchange (DSE) as a low-cap company – has recommended a 10% cash dividend for its shareholders for the fiscal 2021-22. But its sponsors and directors will not take the dividend as the feed manufacturer suffered an operating cash crisis in the last fiscal year, said a source in the company.
- According to a stock exchange filing, Master Feed will hold its annual general meeting (AGM) on 30 November for getting shareholders' approval on the audited financial statement and recommended dividend.

<https://www.tbsnews.net/economy/stocks/master-feed-recommends-10-cash-dividend-490746>

Phoenix Finance incurs losses for the first time

- Phoenix Finance and Investments Limited incurred losses in 2021 for the first time in its history. Owing to this, the non-bank financial institution (NBF1) could not recommend any dividend for its shareholders, which is also for the first time since its stock market listing.

<https://www.tbsnews.net/economy/stocks/phoenix-finance-incurs-losses-first-time-491274>

No decision on floor price yet: BSEC chairman

- No decision has been taken on revoking the floor price established to prevent the collapse of the capital market, said Bangladesh Securities and Exchange Commission (BSEC) Chairman, Professor Shibli Rubayat-UI Islam, after some investors started to sell shares to realise capital gains on a rumour that the floor price would be revoked.
- "There have been rumours about cancelling the floor price, but the commission has not taken any decision on it yet. A group is trying to profit by spreading rumours, so I advise investors to stay alert and not pay heed to rumours," said Shibli Rubayat-UI Islam, currently abroad to attend a conference, to The Business Standard over the phone.

<https://www.tbsnews.net/economy/stocks/no-decision-floor-price-yet-bsec-chairman-490246>

Prime Bank moves for collaboration with Union Capital

- The board of directors of Prime Bank Limited has consented to sign a Memorandum of Understanding (MoU) with Union Capital Limited to explore the opportunity for potential collaboration between the two institutions, according to a stock exchange filing.
- The plan is subject to regulatory approvals, the lender said. When contacted, Prime Bank Company Secretary Tanvir A Siddiqui declined to share any details of the collaboration plan.

<https://www.tbsnews.net/economy/stocks/prime-bank-moves-collaboration-union-capital-489590>

Olympic Industries to boost production capacity

- Olympic Industries, a listed company, has taken a set of decisions, including imports of machinery, to boost its production capacity as the demand for its products is on the rise. The company will import production line accessories to increase the production of corrugated cartons of various sizes by 102 Mn pieces a year, according to a filing with the Dhaka Stock Exchange (DSE).

<https://thefinancialexpress.com.bd/stock/olympic-industries-to-boost-production-capacity-1662101537>

Fu-Wang Ceramic to invest BDT6.50 Bn in greenfield tiles plant

- Fu-Wang Ceramic Industry Limited has decided to invest BDT6.50 Bn to build a new tiles factory in Gazipur to meet the growing demand for construction materials in the country. The tiles manufacturer's board took the investment decision at a meeting on 1 September.

<https://www.tbsnews.net/economy/stocks/fu-wang-ceramic-invest-tk650cr-greenfield-tiles-plant-489602>

Nahee Aluminum to invest BDT270 Mn in new manufacturing project

- The board of directors of Nahee Aluminum Composite Panel has decided to invest BDT270 Mn in a project to manufacture five types of products. The five products are cross tee, main tee, wall angle, runner for aluminum ceiling and UPVC ceiling. The manufacturing project will generate an additional yearly revenue of BDT250 Mn, said the company in a filing with the Dhaka Stock Exchange (DSE) on Thursday.

<https://thefinancialexpress.com.bd/stock/nahee-aluminum-to-invest-tk-270m-in-new-manufacturing-project-1662101648>

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