

Weekly Market Update

Sep 12, 2024 (Week: Sep 08, 2024 – Sep 12, 2024)

Dhaka Stock Exchange

DSEX ended in Red (-0.04%) in the week

Capital Market Overview

The market closed in red this week. The benchmark index DSEX (-0.04%) lost -2.13 points and closed the week at 5,726.52 points. The blue-chip index DS30 (-0.64%) lost -13.61 points and stood at 2,100.75 points. The Shariah-based index DSES (+1.37%) gained 16.87 points and stood at 1,245.68 points. The large cap index CDSET (+0.24%) gained 2.74 points and closed at 1,135.98 points. DSEX, DS30, DSES and CDSET showed YTD returns of -8.32%, +0.33%, -8.68%, -5.56%, respectively.

Total Turnover During the Week (DSE): BDT 32.2 billion (USD 268 million)
Average Daily Turnover Value (ADTV): BDT 6.4 billion (Δ% Week: -19.3%)
Market P/E: 15.7x

Daily Index Movement during the Week

The market performed five sessions during this week. The market started negatively on Sunday (-0.86%) and remained negative till Monday (-0.88%). But it reversed to positive on Tuesday (+1.30%) and remained positive throughout the week on Wednesday (+0.20%), and Thursday (+0.22%).

Sectoral Performance

- All the financial sectors registered negative performance this week. Life Insurance experienced the highest loss of (-4.52%) followed by NBF1 (-4.01%), Mutual Fund (-3.84%), General Insurance (-2.88%), and Bank (-0.88%).
- Most of the non-financial (large-cap) sectors registered negative performance this week. Engineering experienced the highest loss of 3.56% followed by Food & Allied (-3.06%), Fuel & Power (-2.46%), Telecommunication (-1.49%), and Pharmaceutical (+1.63%).

Macroeconomic arena

Foreign investors call for tax structure reform. Beza likely to revoke approval for S Alam's economic zone. Past govt fuelled inflation by printing BDT 600 Bn: Yunus. BANK | Affluent banks desert freewheeling call-money mkt. BANK | Three banks seek BB guarantee for BDT 68 Bn liquidity support. Bangladesh seeks USD 3 Bn from ADB, WB. e-filing of tax returns possible from next July. Budget support to Bangladesh for power, energy sector likely within December: World Bank. Projects under Line of Credit agreements between Bangladesh-India to continue: Salehuddin. Rooppur Power Plant: Russia wants USD 630 Mn interest paid by 15 Sep. Pakistan keen to import jute products relaunch direct flights: Salehuddin. RMG | Chinese firm to invest USD 50 Mn in Bepza EZ. TELECOM | Citycell wants licence reinstatement. MISCELLANEOUS | Bangladesh can import petrochemicals from Egypt: Ambassador. BANK | Use official names of borrowers for CIB reporting. Bangladesh clears USD 1.37 Bn ACU payments. ACC to work with FBI to bring back laundered money.

Private external debt rises USD 275 Mn in June quarter. BANK | Bank deposits grow as money is coming back: governor. BANK | Central bank not blocking any business accounts: Governor. INSURANCE | M Aslam Alam new chair of IDRA. Export target set at USD 57.5 Bn for FY25. China urged to extend loan repayment period to 30 years: Finance adviser. NBR to open e-tax filing portal today. Inflation eases in August but stays above 10%. BANK | Bangladesh Bank to rescue problem banks. TANNERY | YiXin Bangladesh to invest USD 7.45 Mn in Bepza EZ. TRADE | LC margin withdrawal to stimulate trade, investment: DCCI. TRADE | Ctg port still grappling with container backlog. Bangladesh, Vietnam overtake India in low-cost manufacturing: WB. Interest rate spread rises to highest level since 2003. Govt to form task force to recover money taken abroad illegally. BANK | No limit on cash withdrawals from tomorrow. BANK | 10 banks face BDT 315.49 Bn provision shortfall as defaults mount. ENGINEERING | Steel demand halves, scrap prices tumble amid political turmoil

Stock Market arena

BSCPLC | Submarine Cable to issue shares against already disbursed public funds. EXCHANGE | BSEC seeks travel embargo on directors of Dhanmondi, PFI Securities. EXCHANGE | Why BSEC revoked its BDT 2 Bn fundraising consent for Alif Industries. EXCHANGE | BSEC to go tougher on delinquent brokers. EXCHANGE | Safety fear jolts foreign investors' confidence. CONFIDCEM | Confidence Cement to issue rights shares. GIB | Diagnosis of Global Islami Bank: Signs condoned as it raises public money. EHL | Eastern Housing's profit slashed by 18% amid subdued demand for flats. EXCHANGE | BSEC opens probe into non-compliance in Investasia Capital's two mutual funds. EXCHANGE | BSEC forms committee to probe stock manipulation by S Alam, Salman F Rahman. EXCHANGE | ACC probes graft allegations against Shibli, eight others. ILFSL | International Leasing makes profit in Apr-Jun. SIBL | SIBL's ex-chairman declares to buy bank's 1.8 Mn shares.

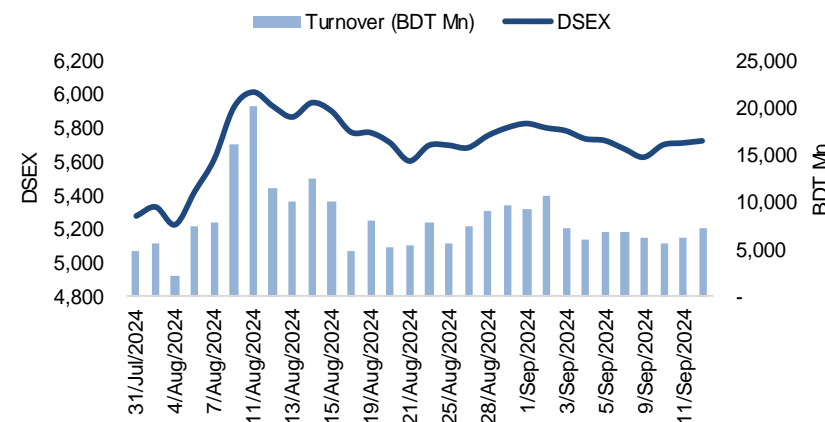
Table 1: Index

Index	Closing*	Opening*	Δ(Pts)	28-Dec-2023	Δ% Week	Δ% YTD
DSEX	5,726.52	5,728.65	-2.13	6,246.50	-0.04%	-8.32%
DS30	2,100.75	2,114.36	-13.61	2,093.83	-0.64%	+0.33%
DSES	1,245.68	1,228.81	+16.87	1,364.13	+1.37%	-8.68%
CDSET	1,135.98	1,133.24	+2.74	1,202.82	+0.24%	-5.56%

Table 2: Market Statistics

		This Week	Last Week	% Change
Mcap	Mn BDT	6,933,290	6,924,312	+0.1%
	Mn USD	57,777	57,703	
Turnover	Mn BDT	32,215	39,941	-19.3%
	Mn USD	268	333	
Average Daily Turnover	Mn BDT	6,443	7,988	-19.3%
	Mn USD	54	67	
Volume	Mn Shares	879	1,082	-18.8%

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
NTC	486.9	320.3	+52.0%	3,214	27.3	NM	NM
KBPPWBIL	166.6	126.6	+31.6%	16,340	275.8	NM	14.1x
NORTHERN	156.3	122.0	+28.1%	335	3.8	NM	19x
JUTESPINN	258.5	207.4	+24.6%	439	3.6	NM	NM
ORIONINFU	378.5	310.8	+21.8%	7,706	382.0	NM	25.4x
LIBRAINFU	1063.8	877.6	+21.2%	2,397	470.7	NM	13x
BEACONPHAR	137.0	114.9	+19.2%	31647	249.9	70.3x	5.2x
MIRACLEIND	33.6	29.0	+15.9%	1,183	161.6	NM	2.1x
BSCPLC	161.8	140.7	+15.0%	26,682	477.0	13.8x	1.8x
SONALIANSH	296.7	258.3	+14.9%	3,219	574.7	34.6x	4.4x

Table 4: Top Ten Losers

Company Name	Close*	Open*	Δ%	Mcap**	Turnover**	PE	PB
CONFIDCEM	68.3	84.0	-18.7%	5,891	535.9	7.8x	0.9x
RUPALILIFE	101.2	119.6	-15.4%	3,037	204.0	NM	NM
KPCL	16.7	19.4	-13.9%	6,637	69.0	50.6x	0.9x
INTRACO	23.6	27.4	-13.9%	2,318	143.7	30.3x	1.9x
HAMI	109.9	126.6	-13.2%	846	20.2	NM	12.1x
GLDNJMF	9.5	10.9	-12.8%	950	55.5	NM	0.9x
MITHUNKNIT	15.8	18.1	-12.7%	513	8.3	NM	5.0x
CAPITECGBF	10.3	11.7	-12.0%	1,604	84.4	NM	1.1x
GRAMEENS2	13.0	14.7	-11.6%	2,371	31.1	NM	0.8x
ALLTEX	13.3	14.9	-10.7%	744	10.0	NM	2.5x

Table 5: Top Ten Most Traded Shares

Company Name	Close*	Open*	Δ%	Mcap**	Turnover**	PE	PB
LINDEBD	1464.4	1547.3	-5.4%	22,286	1700.5	38.9x	3.6x
OLYMPIC	195.5	208.2	-6.1%	39,088	1087.0	23.4x	3.8x
BRACBANK	55.2	56.2	-1.8%	97,688	9714	10.0x	1.4x
AGNISYSL	35.0	33.5	+4.5%	2,539	905.7	32.7x	2.1x
NRBBANK	13.9	13.3	+4.5%	9,599	817.5	16.8x	1.1x
GP	331.6	338.4	-2.0%	447,759	776.6	12.7x	6.2x
ACMELAB	92.7	87.2	+6.3%	19,615	726.1	8.1x	0.8x
IBNSINA	346.0	354.6	-2.4%	10,810	686.9	15.7x	3.2x
SONALIANSH	296.7	258.3	+14.9%	3,219	574.7	34.6x	4.4x
MJLBD	99.1	99.2	-0.1%	31,390	554.1	10.1x	2.2x

Table 6: Most Appreciated YTD in BRAC EPL Universe

Company Name	Close*	YTD %Δ	Mcap**	PE	PB
BRACBANK	55.2	+69.6%	97,688	10.0x	1.4x
ISLAMIBANK	44.3	+35.9%	71,323	11.0x	1.0x
UNILEVERCL	2,739.2	+35.7%	52,796	59.5x	24.1x
OLYMPIC	195.5	+28.6%	39,088	23.4x	3.8x
IBNSINA	346.0	+20.7%	10,810	15.7x	3.2x
CITYBANK	23.3	+19.8%	31,387	4.8x	0.8x
HEIDELBCEM	282.4	+17.9%	15,957	39.6x	3.9x
PRIMEBANK	24.5	+16.7%	27,741	4.9x	0.8x
GP	331.6	+15.7%	447,759	12.7x	6.2x
MJLBD	99.1	+14.3%	31,390	10.1x	2.2x

Table 7: Sector Indices

Sector Name	Week Close*	Week Open*	Year Open*	Δ% Week	Δ% YTD
Bank	1536.4	1550.0	1455.32	-0.88%	+5.57%
NBFI	1345.1	1401.3	1902.52	-4.01%	-29.30%
Mutual Fund	648.1	674.0	876.90	-3.84%	-26.10%
General Insurance	2,978.1	3,066.4	3,489.09	-2.88%	-14.65%
Life Insurance	2,229.7	2,335.2	2,637.78	-4.52%	-15.47%
Telecommunication	5,359.8	5,440.7	4,945.60	-1.49%	+8.37%
Pharmaceutical	3,234.7	3,182.9	3,732.58	+1.63%	-13.34%
Fuel & Power	1,288.5	1,321.0	1,691.80	-2.46%	-23.84%
Cement	2,425.7	2,465.7	2,523.22	-1.62%	-3.86%
Services & Real Estate	1,254.4	1,284.9	1,518.57	-2.37%	-17.39%
Engineering	3,115.8	3,231.0	4,520.40	-3.56%	-31.07%
Food & Allied	18,909.7	19,505.9	21,180.76	-3.06%	-10.72%
IT	2,430.3	2,486.7	2,894.80	-2.27%	-16.05%
Textile	1,275.6	1,285.8	1,658.23	-0.79%	-23.07%
Paper & Printing	5,483.9	5,189.3	10,093.63	+5.68%	-45.67%
Tannery	2,301.6	2,305.7	3,103.94	-0.18%	-25.85%
Jute	17,039.3	14,577.4	17,683.51	+16.89%	-3.64%
Ceramics	464.7	473.3	694.56	-1.81%	-33.09%
Miscellaneous	4,291.9	4,226.6	4,265.32	+1.54%	+0.62%

Table 8: Sector Trading Matrix

Sector Name	Daily average this Week	Daily average last Week	% Change	% of Total Turnover	PE	PB
Bank	1,065.8	1,340.6	-20.49%	+17.55%	8.0x	0.7x
NBFI	101.0	229.6	-56.03%	+1.66%	NM	NM
Mutual Fund	94.1	117.5	-19.95%	+1.55%	NM	0.6x
General Insurance	99.5	182.9	-45.59%	+1.64%	15.7x	1.3x
Life Insurance	158.8	296.5	-46.43%	+2.62%	NM	NM
Telecommunication	295.8	331.4	-10.74%	+4.87%	14.8x	4.1x
Pharmaceutical	1,133.1	1,063.0	+6.59%	+18.66%	16.4x	1.8x
Fuel & Power	627.1	840.1	-25.36%	+10.33%	22.3x	0.7x
Cement	174.0	165.7	+4.96%	+2.87%	18.8x	2.5x
Services & Real Estate	244.8	318.7	-23.18%	+4.03%	22.5x	0.5x
Engineering	307.4	493.0	-37.66%	+5.06%	14.8x	1.1x
Food & Allied	570.8	1,051.8	-45.73%	+9.40%	18.3x	5.4x
IT	268.5	235.3	+14.08%	+4.42%	26.4x	2.1x
Textile	445.5	579.0	-23.06%	+7.34%	NM	0.9x
Paper & Printing	84.3	103.1	-18.27%	+1.39%	39.3x	1.1x
Tannery	47.9	92.0	-47.96%	+0.79%	43.4x	2.4x
Jute	116.4	35.6	+227.17%	+1.92%	NM	NM
Ceramics	46.7	70.1	-33.44%	+0.77%	55.0x	1.3x
Miscellaneous	190.1	144.4	+31.61%	+3.13%	39.6x	1.8x

Table 9: Least Appreciated YTD in BRAC EPL Universe

Company Name	Close*	YTD %Δ	Mcap**	PE	PB
DOREENPWR	23.7	-61.1%	4,293	5.9x	0.5x
IPDC	21.7	-60.4%	8,455	24.1x	1.3x
BBSCABLES	25.3	-49.3%	5,356	NM	0.8x
BXPBARMA	76.5	-47.7%	34,128	6.4x	0.7x
SUMITPOWER	18.0	-47.1%	19,222	25.4x	0.4x
RUNNERAUTO	26.9	-44.4%	3,054	NM	0.5x
ACI	155.1	-40.4%	11,819	NM	1.5x
IFADAUTOS	27.1	-38.5%	7,198	NM	0.7x
WALTONHIL	644.2	-38.5%	195,146	14.4x	1.7x
BARKAPOWER	13.2	-38.0%	3,108	8.9x	0.6x

Important News: Business, Economy & Sector

Foreign investors call for tax structure reform

- The Foreign Investors' Chamber of Commerce and Industry (FICCI) today (11 September) called for a tax structure more favourable to foreign investment, aimed at boosting investor confidence in Bangladesh.

<https://www.tbsnews.net/economy/foreign-investors-call-tax-structure-reform-939121>

Beza likely to revoke approval for S Alam's economic zone

- The Bangladesh Economic Zone Authority (Beza) is set to revoke the approval of the economic zone granted to S Alam Group, which is currently under scrutiny for extensive exploitation in the country's banking and financial sectors, in Chattogram's Banskhali upazila, according to Beza sources.

<https://www.tbsnews.net/bangladesh/beza-likely-revoke-approval-s-alams-economic-zone-938481>

Past govt fuelled inflation by printing BDT 600 Bn: Yunus

- People are grappling with high inflation because of the fresh injection of BDT 600 Bn into the market by Sheikh Hasina's government, Prof Muhammad Yunus, chief adviser to the interim government, said yesterday.

<https://www.thedailystar.net/business/news/past-govt-fuelled-inflation-printing-tk-yunus-3700876>

BANK | Affluent banks desert freewheeling call-money mkt

- Officials and bankers have said despite higher bets offered on the call-money market, the lenders feel comfortable to put their un-invested money in the Standing Deposit Facility (SDF) or reverse repo of Bangladesh Bank (BB), where the rate is quite low.

<https://today.thefinancialexpress.com.bd/first-page/affluent-banks-desert-freewheeling-call-money-mkt-1726074869>

BANK | Three banks seek BB guarantee for BDT 68 Bn liquidity support

- National Bank, Islami Bank Bangladesh and Social Islami Bank have applied to the Bangladesh Bank (BB) for its guarantee to avail a total of BDT 68 Bn in liquidity support through the inter-bank money market for a period of 3 months.

<https://www.thedailystar.net/business/news/three-banks-seek-bb-guarantee-tk-6800cr-liquidity-support-3700866>

Bangladesh seeks USD 3 Bn from ADB, WB

- Bangladesh could get USD 3 Bn in budgetary support under an Asian Development Bank (ADB) and World Bank (WB) arrangement for energy and power sector reforms and the upcoming status graduation from a least developed country (LDC) to a developing nation in 2026.

<https://www.thedailystar.net/business/news/bangladesh-seeks-3b-adb-wb-3699851>

e-filing of tax returns possible from next July

- From next fiscal year, taxpayers will be able to proactively start submitting their tax returns from July 1 even though this year the National Board of Revenue (NBR) started accepting it online a bit late, that is from September 9.

<https://www.thedailystar.net/business/news/e-filing-tax-returns-possible-next-july-3699846>

Budget support to Bangladesh for power, energy sector likely within December: World Bank

- The World Bank is likely to provide budget support to Bangladesh's power and energy sector within the upcoming December, the international financial institution said today (10 September).

<https://www.tbsnews.net/economy/budget-support-bangladesh-power-energy-s-bank-938176>

Projects under Line of Credit agreements between Bangladesh-India to continue: Salehuddin

- Regarding the bilateral trade volume, the finance adviser said there is a bilateral trade deficit that tilts in favour of India. But the issue will be resolved.

<https://www.tbsnews.net/bangladesh/projects-under-line-credit-agreements-between-bangladesh-india-continue-salehuddin-937906>

ACC to work with FBI to bring back laundered money

- The Anti-Corruption Commission has decided to work with the Federal Bureau of Investigation of the US to bring back money siphoned off abroad. The decision came at a meeting yesterday between the ACC's money laundering and legal wings and an FBI delegation, said meeting sources.

<https://www.thedailystar.net/top-news/news/acc-work-fbi-bring-back-laundered-money-3698776>

Rooppur Power Plant: Russia wants USD 630 Mn interest paid by 15 Sep

- Russia has asked Bangladesh to pay USD 630 Mn in outstanding and current interests on a loan for the Rooppur Nuclear Power Plant by 15 September, according to a letter from the Russian authorities.

<https://www.tbsnews.net/bangladesh/rooppur-power-plant-russia-wants-630m-interest-paid-15-sep-938446>

RMG | Chinese firm to invest USD 50 Mn in Bepza EZ

- China-based Home Joy Socks Bangladesh Company Limited signed an agreement with Bangladesh Export Processing Zones Authority (Bepza) recently to set up a sock and garment manufacturing factory in Bepza Economic Zone with an investment of USD 50 Mn.

<https://www.thedailystar.net/business/news/chinese-firm-invest-50m-bepza-ez-3699826>

TELECOM | Citycell wants licence reinstatement

- Citycell, the country's first mobile operator which has not been operational since 2016, has sent a letter to the telecom regulator recently seeking the reinstatement of its licence. At that time, Citycell owed BDT 4.78 Bn to the regulator, according to the BTRC.

<https://www.thedailystar.net/business/news/citycell-wants-licence-reinstatement-3699856>

MISCELLANEOUS | Bangladesh can import petrochemicals from Egypt: Ambassador

- Egyptian Ambassador to Bangladesh Omar Mohie Eldin Ahmed Fahmy expressed such interests when he met DCCI President Ashraf Ahmed at the DCCI on Tuesday. He called upon the Bangladeshi importers to import more petrochemicals and fertilizers from Egypt.

<https://today.thefinancialexpress.com.bd/trade-market/bangladesh-can-import-petrochemicals-from-egypt-ambassador-1725986011>

BANK | Use official names of borrowers for CIB reporting

- To bring greater transparency, the BB said banks will have to present reports on their lending to the Credit Information Bureau (CIB) as per the names registered at the Registrar of Joint Stock Companies and Firms (RJSC).

<https://www.thedailystar.net/business/economy/news/use-official-names-borrowers-cib-reporting-3699541>

Bangladesh clears USD 1.37 Bn ACU payments

- After the clearance of import liabilities, the country's gross forex reserves dropped below USD 20-Bn mark to USD 19.46 Bn as of September 08, 2024, per the BPM6 calculations of the International Monetary Fund (IMF).

<https://today.thefinancialexpress.com.bd/first-page/bangladesh-clears-137b-acu-payments-1725902307>

Private external debt rises USD 275 Mn in June quarter

- According to Bangladesh Bank data, private sector foreign debt stood at USD 20.57 Bn at the end of June, up from USD 20.3 Bn at the end of March. Over the nine months from October last year to June, private sector foreign debt decreased by USD 706 Mn.

<https://www.tbsnews.net/economy/private-external-debt-rises-275m-june-quarter-936856>

BANK | Bank deposits grow as money is coming back: governor

- Deposits in banks are increasing and money outside the banking sector has decreased by BDT 450 Bn in recent times, reflecting growing confidence in the banking sector, Bangladesh Bank (BB) Governor Ahsan H Mansur said yesterday.

<https://www.thedailystar.net/business/news/bank-deposits-grow-money-coming-back-governor-3698856>

BANK | Central bank not blocking any business accounts: Governor

- "We are not affecting any industry. Every sector is allowed to operate freely, without interference or blocking of funds," Mansur said during a roundtable discussion on the current business challenges and the way forward organised by The Daily Star at its office today.

<https://www.thedailystar.net/business/news/central-bank-not-blocking-any-business-accounts-governor-3698161>

INSURANCE | M Aslam Alam new chair of IDRA

- The interim government has appointed former senior secretary M Aslam Alam as the new chairman of the Insurance Development and Regulatory Authority (IDRA), the finance ministry said in a circular today. He has been appointed on a contractual basis for a three-year term or until he turns 68.

<https://www.thedailystar.net/business/economy/news/m-aslam-alam-new-chair-idra-3698451>

TANNERY | YiXin Bangladesh to invest USD 7.45 Mn in Bepza EZ

- The company has set a target to annually produce 10 Mn pairs of footwear materials. The investment will create employment opportunities for 1,509 Bangladeshi nationals in the factory.

<https://www.thedailystar.net/business/news/yixin-bangladesh-invest-745m-bepza-ez-3697471>

Pakistan keen to import jute products relaunch direct flights: Salehuddin

- Pakistan has shown keen interest in importing Bangladesh's jute products, Finance and Commerce Adviser Salehuddin Ahmed said today (10 September).

<https://www.tbsnews.net/economy/pakistan-keen-import-jute-products-relaunch-direct-flights-saleh191>

Export target set at USD 57.5 Bn for FY25

- Bangladesh aims to increase its merchandise and service exports by about 12.74% year-on-year to USD 57.5 Bn in the fiscal year 2024-25, according to Finance and Commerce Adviser Salehuddin Ahmed.

<https://www.thedailystar.net/business/news/export-target-set-575b-fy25-3698006>

China urged to extend loan repayment period to 30 years: Finance adviser

- Bangladesh has urged China to extend its loan repayment period to 30 years, Finance Adviser Salehuddin Ahmed said today (8 September). The adviser also mentioned that loans from Japan have a 30-year repayment period as well as a ten-year grace period.

<https://www.tbsnews.net/economy/china-asked-extend-loan-repayment-period-30-years-finance-adviser-936631>

NBR to open e-tax filing portal today

- The National Board of Revenue (NBR) will open its online tax return submission portal today to facilitate digital income tax, wealth statement and other tax submissions by individual taxpayers for fiscal year 2024-25.

<https://www.thedailystar.net/business/news/nbr-open-e-tax-filing-portal-today-3697991>

TRADE | Ctg port still grappling with container backlog

- According to the officials, at least 5,000 TEUs (Twenty-foot Equivalent Units) of import containers need to be cleared to restore normal operations of the port. Likewise, the depots must reduce their load by 5,000 TEUs of export containers.

<https://www.tbsnews.net/economy/ctg-port-still-grappling-container-backlog-936026>

Inflation eases in August but stays above 10%

- Last month, the Consumer Price Index (CPI), which measures changes in the prices paid by consumers over time, stood at 10.49%, according to data released by the Bangladesh Bureau of Statistics (BBS) yesterday. This is the second-biggest rise in the CPI of the last 13 years. It was 11.66% in July.

<https://www.thedailystar.net/business/news/inflation-eases-august-stays-above-10-3698011>

BANK | Bangladesh Bank to rescue problem banks

- Exim Bank has already been provided with BDT 10 Bn special liquidity support from the central bank for 90 days, documents show. The condition of a few crisis-hit banks is at the stage of bankruptcy, but the government has no plan to declare them bankrupt, said BB Governor Ahsan H Mansur at a press conference yesterday.

<https://www.thedailystar.net/business/economy/banks/news/bb-rescue-problem-banks-3698031>

TRADE | LC margin withdrawal to stimulate trade, investment: DCCI

- Recently, Bangladesh Bank through a circular took a decision of lifting the LC margin on all types of imports except for some luxury products manufactured in Bangladesh with a view to largely alleviate the recent stagnation caused at the product import level and speed up industrialization.

<https://www.tbsnews.net/economy/lc-margin-withdrawal-stimulate-trade-investment-dcci-936741>

Bangladesh, Vietnam overtake India in low-cost manufacturing: WB

- Bangladesh and Vietnam have achieved strong growth, with Bangladesh reaching 5.1% and Vietnam 5.9% of global ALTF exports in 2022, added the report released last Tuesday.

<https://www.thedailystar.net/business/news/bangladesh-vietnam-overtake-india-low-cost-manufacturing-wb-3696826>

Interest rate spread rises to highest level since 2003

- The spread between interest rates on deposits and loans rose to 6.03%, the highest in two decades, indicating that banks are making money at the expense of depositors and borrowers. The spread, which fell to 2.93% in June 2023, began increasing as the interest rate started moving upwards since July last year.

<https://www.thedailystar.net/business/economy/news/interest-rate-spread-rises-highest-level-2003-3697111>

Govt to form task force to recover money taken abroad illegally

- Earlier, Bangladesh Bank and other related authorities had informed of planning to take initiatives to bring back such money. "We are speaking to the World Bank, the United States and the United Kingdom to bring back laundered money," Bangladesh Bank Governor Ahsan H Mansur said in a recent interview with The Daily Star.

<https://www.thedailystar.net/business/news/govt-form-task-force-recover-money-taken-abroad-illegally-3695796>

BANK | No limit on cash withdrawals from tomorrow

- The relaxation comes a month after the BB restricted a deterioration in law and order. The central bank on August 7 asked banks to limit daily cash withdrawals to BDT 1 Mn per account.

<https://www.thedailystar.net/business/news/no-limit-cash-withdrawals-tomorrow-3696846>

BANK | 10 banks face BDT 315.49 Bn provision shortfall as defaults mount

- The provision shortfall among banks has worsened due to surging default loans with 10 banks reporting a combined deficit of BDT 315.49 Bn as of June this year, Bangladesh Bank data reveals.

<https://www.tbsnews.net/economy/banking/10-banks-face-tk31549cr-provision-shortfall-defaults-mount-934806>

ENGINEERING | Steel demand halves, scrap prices tumble amid political turmoil

- The country's steel industry is grappling with a significant downturn, marked by a near 50% drop in demand over the past two months due primarily to the slowdown of construction projects amid political instability that erupted before and after the fall of the Sheikh Hasina government.

<https://www.tbsnews.net/economy/industry/steel-demand-halves-scrap-prices-tumble-amid-political-turmoil-935331>

Important News: Stocks

BSCPLC | Submarine Cable to issue shares against already disbursed public funds

- The securities regulator has allowed Bangladesh Submarine Cable Company Ltd (BSCCL) to issue 22.13 million ordinary shares to the government against share money deposits to comply with a more-than-four-year-old regulatory order.

<https://today.thefinancialexpress.com.bd/stock-corporate/submarine-cable-to-issue-shares-against-already-disbursed-public-funds-1726072209>

EXCHANGE | BSEC seeks travel embargo on directors of Dhanmondi, PFI Securities

- The Bangladesh Securities and Exchange Commission (BSEC) has requested authorities concerned to impose a travel ban on the directors and senior officials of Dhanmondi Securities and PFI Securities Ltd due to their failure to resolve the deficit in investors' funds.

<https://www.tbsnews.net/economy/stocks/bsec-seeks-travel-embargo-directors-dhanmondi-pfi-securities-939206>

EXCHANGE | Why BSEC revoked its BDT 2 Bn fundraising consent for Alif Industries

- The Bangladesh Securities and Exchange Commission (BSEC) revoked its earlier approval for Alif Industries to raise BDT 2 Bn through issuing fresh shares, four months after the initial consent was granted.

<https://www.tbsnews.net/economy/stocks/why-bsec-revoked-its-tk200cr-fundraising-consent-alif-industries-939201>

EXCHANGE | BSEC to go tougher on delinquent brokers

- The BSEC yesterday informed that the CCA of several brokerage houses are in a deficit, which goes against investors' interest as well as market regulations.

<https://www.thedailystar.net/business/economy/news/bsec-go-tougher-delinquent-brokers-3700826>

EXCHANGE | Safety fear jolts foreign investors' confidence

- A lack of safety in foreign manufacturing and industrial units in Bangladesh, stemming from the debilitating law and order situation and labour unrest, has become a cause of major concern for foreign investors, denting their confidence.

<https://www.thedailystar.net/business/news/safety-fear-jolts-foreign-investors-confidence-3700871>

CONFIDCEM | Confidence Cement to issue rights shares

- Confidence Cement has decided to issue rights shares to raise BDT 1.29 Bn for investment in an associate company named Confidence Cement Dhaka and for repayment of term loans. The Chittagong-based cement manufacturer will issue one right share for every 3 existing shares at BDT 45 each, including BDT 35 as a premium, as per the board decision at a meeting held on Monday.

<https://today.thefinancialexpress.com.bd/stock-corporate/confidence-cement-to-issue-rights-shares-1725985456>

GIB | Diagnosis of Global Islami Bank: Signs condoned as it raises public money

- Global Islami Bank (GIB) showed a remarkable 28% year-on-year surge in profit in 2021, the year before its listing, while its cash flow was negative.

<https://today.thefinancialexpress.com.bd/stock-corporate/diagnosis-of-global-islami-bank-signs-condoned-as-it-raises-public-money-1725985387>

EHL | Eastern Housing's profit slashed by 18% amid subdued demand for flats

- Eastern Housing's profit dropped 18% year-on-year to BDT 564 Mn in FY24, as apartment sales plunged to rising costs of building materials amid high registration costs and runaway inflation. The lone listed realtor's earnings per share stood at BDT 6.04 in FY24, down from BDT 7.37 the year before, according to price sensitive information published on Monday.

<https://today.thefinancialexpress.com.bd/stock-corporate/eastern-housings-profit-slashed-by-18pc-amid-subdued-demand-for-flats-1725898033>

ILFSL | International Leasing makes profit in Apr-Jun

- The non-bank financial institution said in a disclosure that filing on the Dhaka Stock Exchange (DSE), its consolidated net profit was BDT 75.2 Mn in the second quarter of this year, a turnaround from a loss of BDT 134 Mn in the same period last year.

<https://www.tbsnews.net/economy/stocks/international-leasing-makes-profit-apr-jun-936786>

EXCHANGE | BSEC opens probe into non-compliance in Investasia Capital's two mutual funds

- The Bangladesh Securities and Exchange Commission (BSEC) formed a committee today to investigate potential non-compliance and financial affairs of two mutual funds managed by Investasia Capital and Asset Management Limited and its trustee Sentinel Trustee and Custodial Services Limited.

<https://www.tbsnews.net/economy/stocks/bsec-opens-probe-non-compliance-investasia-capitals-two-mutual-funds-937596>

EXCHANGE | BSEC forms committee to probe stock manipulation by S Alam, Salman F Rahman

- The four-member committee, led by BSEC Director Mohammad Abul Hasan, has been instructed to submit the inquiry report within the next 60 days. The BSEC order in this regard referred to a news report that mentioned Salman F Rahman as a loan defaulter in the 1980s. His name also came up in the 1996 share market scam.

<https://www.thedailystar.net/business/news/bsec-forms-committee-probe-stock-manipulation-s-alam-salman-f-rahman-3698816>

EXCHANGE | ACC probes graft allegations against Shibli, eight others

- By forgery and cheating, Shibli Rubayat-UI Islam and the officials allegedly accumulated BDT 10 Bn in assets at home and abroad, including the United Arab Emirates, Singapore, the United Kingdom, the United States and Canada.

<https://www.thedailystar.net/business/news/acc-probes-graft-allegations-against-shibli-eight-others-3698836>

SONALIPAPR | How Shibli-commission acted as magic lamp for Sonali Paper

- The Shibli Rubayat-UI Islam-led Securities and Exchange Commission leveraged its special authority in 2020 to facilitate Sonali Paper and Board Mills, granting at least 18 exemptions from regulations, including the requirement of a minimum paid-up capital of BDT 300 Mn and the condition of having positive net current assets for the past three financial years.

<https://www.tbsnews.net/economy/stocks/how-shibli-commission-acted-magic-lamp-sonali-paper-935956>

SIBL | SIBL's ex-chairman declares to buy bank's 1.8 Mn shares

- Sultan Mahmood Chowdhury, sponsor and former chairman of Social Islami Bank Limited (SIBL), declared to buy the bank's 1.8 Mn shares at the prevailing market price through the Dhaka Stock Exchange (DSE). As per the SIBL's shareholding report, at the end of July, Sultan Mahmood held 19.1 Mn shares of the bank, representing 1.68% of the total shares.

<https://www.tbsnews.net/economy/stocks/sibls-ex-chairman-declares-buy-banks-18-lakh-shares-936696>

SKTRIMS | Matiur-linked SK Trims laid off after bank accounts frozen

- SK Trims and Industries has laid off its factory workers amid a raw materials and financial crisis following the freezing of its bank accounts.

<https://www.tbsnews.net/economy/stocks/sk-trims-shares-drop-its-production-halts-936086>

ENVOYTEX | Envoy Textiles to set up 'Waste Fabric Recycling Plant'

- The company has estimated the total project cost at BDT 237.04 Mn, with 70% funded by debt and 30% by equity. The project is expected to begin operations by the end of June next. Once operational, the recycling plant will enable Envoy Textiles to replace externally sourced waste cotton with recycled fiber produced in-house.

<https://thefinancialexpress.com.bd/stock/bangladesh/envoy-textiles-to-set-up-waste-fabric-recycling-plant>

NBL | National Bank's new board to scrutinise all waived and written-off loans

- The newly appointed board of National Bank PLC (NBL) will scrutinise all waived and written-off loans and interests, regardless of whether they were justified or not. The board will also evaluate all violations of banking norms and laws that occurred in the past 15 years.

<https://www.thedailystar.net/business/economy/banks/news/national-banks-new-board-scrutinise-all-waived-and-written-loans-3697091>

EXCHANGE | 3 new independent directors have conflict of interest: DBA

- The DSE Brokers Association (DBA) has requested the securities regulator to reconsider the recent appointment of independent directors to the board of the Dhaka bourse, raising concerns over "conflict of interest".

<https://thefinancialexpress.com.bd/stock/bangladesh/3-new-independent-directors-have-conflict-of-interest-dba>

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