

Capital Market Overview

The market closed in red this week. The benchmark index DSEX (-2.28%) lost -119.51 points and closed the week at 5,117.81 points. The blue-chip index DS30 (-1.94%) lost -36.09 points and stood at 1,821.89 points. The Shariah-based index DSES (-2.53%) lost -28.71 points and stood at 1,108.06 points. The large cap index CDSET (-1.09%) lost -10.92 points and closed at 992.30 points. DSEX, DS30, DSES and CDSET showed YTD returns of -18.07%, -12.99%, -18.77%, -17.50%, respectively.

Total Turnover During the Week (DSE): BDT 18.8 billion (USD 160 million)
Average Daily Turnover Value (ADTV): BDT 3.8 billion (Δ Week: -16.6%)
Market P/E: 13.2x

Daily Index Movement during the Week

The market performed five sessions during this week. The market started on a negative note (-1.26%) on Sunday and remained negative throughout Monday (-1.27%) and Tuesday (-0.70%). However, the market turned positive on Wednesday (+0.26%) and ended the week on a positive note on Thursday (+0.68%).

Sectoral Performance

- All the financial sectors registered negative performance this week. Life Insurance experienced the highest loss of -6.20% followed by Mutual Fund (-4.39%), NBF1 (-4.36%), General Insurance (-2.72%), and Bank (-1.73%).
- All the non-financial (large-cap) sectors registered negative performance this week. Engineering experienced the highest loss of 4.88% followed by Fuel & Power (-3.73%), Telecommunication (-2.62%), Pharmaceutical (-1.57%), and Food & Allied (-0.65%).

Macroeconomic arena

Tax waivers to lure businesses into special zones should continue. Return filing a must for hotels, restaurants and clinics. Three major barriers to economy's progress. High bank borrowing by govt to crowd out private sector. Sectors & Industries: ENERGY | Bangladesh-China JV to build 100MW solar power plant in Jamalpur. WB forecasts steady, slight growth for Bangladesh for next two FYs. Tax from Google, FB: HC issues contempt of court rule against NBR chief. INSURANCE | MetLife provides free doctor consultancy for Hajj pilgrims. BANK | Crore-taka bank accounts drop by 1,018 in three months. ADB extends USD 250 Mn loan to strengthen social protection. Govt plans to increase non-tax revenue. Black money whitening: Experts call for distinction between legal and illegal. Bangladesh economy on course for expansion. Govt to bank on crawling peg, global interest rate cuts to rebuild reserves. Blow for private economic zones, hi-tech parks as tax benefits go.

BANK | Recovery from crisis impossible without addressing banking sector's vulnerability. BANK | Travel restriction on bankers relaxed. FY2025 proposed budget misses the boat on stabilization. Import duty cut for LDC graduation: Long way to go for readiness. BANK | BB allows new entities to assess credit worthiness of borrowers. GDP growth target set at 6.75% for FY25. Tax exemption in FY25 rises to BDT 1630 Bn. Forex reserves decline by USD 51 Mn in a week. LED bulb, juice, home appliances among items brought under VAT hike. FY25 Budget: Inflation target set at 6.5%. First-time BDT 2 Bn for green energy, ocean exploration. BANK | Default loans hit historic high of BDT 1822.95 Bn. | RMG export to USA falls 14% in Jan-Apr. PHARMACEUTICALS | Drug makers, consumers have to wait to reap benefits from tax waivers.

Stock Market arena

PREMIERBAN | PREMIER BANK APPROVES 12.5% CASH DIVIDENDS. ALARABANK, FAMILYTEX | Al-Arafah Islami Bank puts Familytex assets on auction. MTB | Mutual Trust Bank PLC spearheads open banking revolution with Grameenphone Ltd. EBL | EBL launches off-shore banking deposit programme. WALTONHIL | Walton launches 'AI Doctor' feature for smart fridge. RINGSHINE | Ring Shine losses double in July-Dec. EXCHANGE | Tax waiver, regulatory reforms must to breathe new life into stocks: DBA. DUTCHBANGL | DBBL approves 35% dividend at its 28th AGM. EBL | EBL launches co-brand credit cards for BKMEA. EXCHANGE | Regulator suspends block trades in assets of RACE-managed pooled funds. EXCHANGE | BSEC allows two IT companies to raise BDT 100 Mn. EXCHANGE | How the budget will impact listed firms. EXCHANGE | Shareholders to face taxes on loans taken from listed companies. POWERGRID | Power Grid gets large sums as govt prioritises transmission, distribution. EXCHANGE | Stock investors face 15% tax on capital gains exceeding BDT 5 Mn.

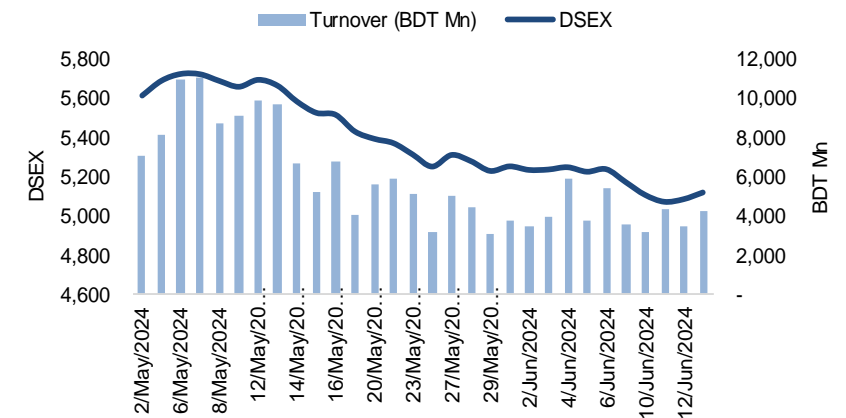
Table 1: Index

Index	Closing*	Opening*	Δ (Pts)	28-Dec-2023	Δ % Week	Δ % YTD
DSEX	5,117.81	5,237.32	-119.51	6,246.50	-2.28%	-18.07%
DS30	1,821.89	1,857.98	-36.09	2,093.83	-1.94%	-12.99%
DSES	1,108.06	1,136.76	-28.71	1,364.13	-2.53%	-18.77%
CDSET	992.30	1,003.22	-10.92	1,202.82	-1.09%	-17.50%

Table 2: Market Statistics

		This Week	Last Week	% Change
Mcap	M n BDT	6,335,939	6,464,779	-2.0%
	M n USD	53,694	54,786	
Turnover	M n BDT	18,823	22,580	-16.6%
	M n USD	160	191	
Average Daily Turnover	M n BDT	3,765	4,516	-16.6%
	M n USD	32	38	
Volume	M n Shares	515	735	-30.0%

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
SAMATALETH	53.3	45.1	+18.2%	550	16.4	NM	3.7x
ATLASBANG	67.6	57.9	+16.8%	2,239	2.1	NM	0.6x
MITHUNKNIT	316	27.2	+16.2%	1,027	115.1	NM	9.9x
SAFKOSPINN	12.5	10.9	+14.7%	375	3.9	NM	2.7x
UNILEVERCL	2,294.0	2,015.2	+13.8%	44,215	450.2	512x	17.1x
CRYSTALINS	106.5	94.7	+12.5%	4,686	257.1	37.8x	4.3x
CAPITECGBF	12.5	11.3	+10.6%	1,946	116.7	NM	13x
GHCL	39.3	35.6	+10.4%	2,830	35.6	NM	0.9x
VFSTDL	13.9	12.7	+9.4%	1,468	74.9	29.5x	0.7x
SKICL	47.0	43.3	+8.5%	1,880	22.1	12.8x	2.0x

Table 4: Top Ten Losers

Company Name	Close*	Open*	Δ%	Mcap**	Turnover**	PE	PB
BDFINANCE	15.2	18.0	-15.6%	2,861	24.0	NM	13x
SONALIANSH	228.9	266.1	-14.0%	2,483	716	26.7x	3.4x
KBPPWBIL	121.0	140.6	-13.9%	11,868	1.1	NM	10.2x
COPPERTECH	29.0	33.5	-13.4%	1,900	35.5	67.4x	2.1x
NCCBANK	9.7	11.1	-12.6%	10,771	9.4	6.2x	0.4x
AIBLSTIMF	7.4	8.4	-11.9%	740	12.1	NM	0.8x
NPOLYMER	35.4	40.0	-11.5%	2,584	35.0	13.0x	12x
BIFC	9.3	10.5	-11.4%	936	0.4	NM	NM
GOLDENSON	17.9	20.2	-11.4%	3,074	175.5	NM	10x
SALVOCHEM	42.4	47.8	-11.3%	2,757	47.6	20.8x	2.6x

Table 5: Top Ten Most Traded Shares

Company Name	Close*	Open*	Δ%	Mcap**	Turnover**	PE	PB
BEACONPHAR	153.7	150.1	+2.4%	35,505	862.1	78.8x	5.8x
LOVELLO	89.1	94.5	-5.7%	7,574	708.6	64.6x	6.7x
ASIATICLAB	54.8	52.9	+3.6%	6,707	688.9	NM	1.1x
SEAPEARL	94.9	93.6	+1.4%	11,459	527.1	318x	4.9x
CENTRALPHL	20.1	20.1	-	2,408	471.2	NM	2.8x
ORIONPHARM	70.9	72.1	-1.7%	16,591	459.8	16.2x	0.8x
UNILEVERCL	2,294.0	2,015.2	+13.8%	44,215	450.2	512x	17.1x
FORTUNE	32.1	33.9	-5.3%	5,478	423.9	31.7x	2.2x
RUPALILIFE	187.0	184.3	+1.5%	5,613	421.1	NM	NM
AIL	120.2	126.8	-5.2%	5,319	420.5	48.7x	5.0x

Table 6: Most Appreciated YTD in BRAC EPL Universe

Company Name	Close*	YTD %Δ	Mcap**	PE	PB
UNILEVERCL	2,294.0	+13.6%	44,215	512x	17.1x
BRACBANK	34.0	+4.5%	60,170	6.8x	0.9x
JAMUNAOIL	168.6	+0.1%	18,618	4.6x	0.8x
BSRMLTD	90.0	-	26,873	4.6x	0.6x
ISLAMIBANK	32.6	-	52,486	8.3x	0.7x
KPCL	26.6	-	10,571	80.6x	15x
MPETROLEUM	198.6	-	21,492	4.6x	0.9x
NM	NM	NM	NM	NM	NM
NM	NM	NM	NM	NM	NM
NM	NM	NM	NM	NM	NM

Table 7: Sector Indices

Sector Name	Week Close*	Week Open*	Year Open*	Δ% Week	Δ% YTD
Bank	1,274.6	1,297.0	1,455.32	-1.73%	-12.42%
NBFI	1,050.5	1,098.4	1,902.52	-4.36%	-44.79%
Mutual Fund	638.6	667.9	876.90	-4.39%	-27.18%
General Insurance	2,827.6	2,906.6	3,489.09	-2.72%	-18.96%
Life Insurance	1,944.8	2,073.4	2,637.78	-6.20%	-26.27%
Telecommunication	3,686.9	3,786.0	4,945.60	-2.62%	-25.45%
Pharmaceutical	2,934.8	2,981.6	3,732.58	-1.57%	-21.37%
Fuel & Power	1,145.4	1,189.8	1,691.80	-3.73%	-32.30%
Cement	2,100.9	2,160.8	2,523.22	-2.77%	-16.74%
Services & Real Estate	1,476.7	1,552.3	1,518.57	-4.87%	-2.75%
Engineering	2,510.5	2,639.3	4,520.40	-4.88%	-44.46%
Food & Allied	15,276.2	15,376.4	21,180.76	-0.65%	-27.88%
IT	2,365.7	2,485.0	2,894.80	-4.80%	-18.28%
Textile	1,187.9	1,238.1	1,658.23	-4.06%	-28.37%
Paper & Printing	6,133.2	6,682.7	10,093.63	-8.22%	-39.24%
Tannery	2,361.6	2,405.1	3,103.94	-1.81%	-23.92%
Jute	13,938.4	15,613.8	17,683.51	-10.73%	-21.18%
Ceramics	475.5	506.0	694.56	-6.03%	-31.53%
Miscellaneous	4,170.8	4,147.8	4,265.32	+0.55%	-2.22%

Table 8: Sector Trading Matrix

Sector Name	Daily average this Week	Daily average last Week	% Change	% of Total Turnover	PE	PB
Bank	207.8	265.7	-21.81%	+6.46%	7.0x	0.6x
NBFI	33.1	53.0	-37.50%	+1.03%	NM	NM
Mutual Fund	96.6	168.1	-42.51%	+3.01%	NM	0.6x
General Insurance	119.2	98.1	+21.57%	+3.71%	14.9x	13x
Life Insurance	187.0	256.8	-27.18%	+5.82%	NM	NM
Telecommunication	52.4	34.9	+49.95%	+1.63%	9.6x	2.6x
Pharmaceutical	776.4	693.1	+12.02%	+24.15%	15.1x	1.6x
Fuel & Power	53.3	202.5	-73.70%	+1.66%	19.7x	0.7x
Cement	29.9	28.6	+4.62%	+0.93%	14.5x	2.0x
Services & Real Estate	202.5	170.2	+18.97%	+6.30%	25.6x	0.6x
Engineering	241.3	440.9	-45.27%	+7.51%	12.1x	0.9x
Food & Allied	480.1	593.8	-19.14%	+14.93%	14.9x	4.7x
IT	145.4	198.5	-26.78%	+4.52%	25.7x	2.0x
Textile	352.5	501.3	-29.69%	+10.96%	NM	0.8x
Paper & Printing	26.8	47.4	-43.32%	+0.83%	43.4x	1.4x
Tannery	107.5	125.3	-14.17%	+3.34%	37.2x	2.5x
Jute	14.5	9.7	+49.17%	+0.45%	NM	NM
Ceramics	39.5	85.1	-53.57%	+1.23%	41.2x	13x
Miscellaneous	49.4	75.1	-34.17%	+1.54%	38.3x	18x

Table 9: Least Appreciated YTD in BRAC EPL Universe

Company Name	Close*	YTD %Δ	Mcap**	PE	PB
IPDC	17.6	-67.9%	6,858	19.8x	10x
DOREENPWR	25.0	-59.0%	4,528	6.3x	0.5x
WALTONHIL	446.3	-57.4%	135,197	10.4x	12x
ACI	112.1	-56.9%	8,543	NM	1.1x
RUNNERAUTO	22.5	-53.5%	2,555	NM	0.4x
BSCPLC	102.5	-53.2%	16,903	8.7x	1.1x
RENATA	618.0	-49.3%	70,882	30.9x	2.2x
UPGDCL	120.2	-48.6%	69,679	9.3x	2.1x
BBSABLES	25.8	-48.3%	5,462	NM	0.8x
TITASGAS	214	-47.7%	21,169	NM	0.3x

Important News: Business, Economy & Sector

Tax waivers to lure businesses into special zones should continue

- Bangladesh Association of Publicly Listed Companies (BAPLC) urging the National Board of Revenue (NBR) on Wednesday to keep the existing tax provisions unchanged.

<https://today.thefinancialexpress.com.bd/stock-corporate/tax-waivers-to-lure-businesses-into-special-zones-should-continue1718215581>

Return filing a must for hotels, restaurants and clinics

- Nearly five lakh additional establishments are expected to come under the tax net as the government will make proof of submission of return (PSR) mandatory for hotels, restaurants, clinics, and diagnostic centres.

<https://www.thedailystar.net/business/news/return-filing-must-hotels-restaurants-and-clinics-3633411>

Three major barriers to economy's progress

- Strategic inefficiency, institutionalisation of corruption, and a lack of accountability are the three major barriers blocking the smooth progress of the economy, said economists, entrepreneurs and politicians yesterday.

<https://www.thedailystar.net/business/news/three-major-barriers-economys-progress-3633436>

Bangladesh Bank's digital efforts are off to a slow start

- Bangladesh Bank has rolled out three major digital initiatives -- Binimoy, Bangla QR and TakaPay – as part of the government's vision to build a cashless society but failed to gain the expected traction.

<https://www.thedailystar.net/business/economy/news/bangladesh-banks-digital-efforts-slow-start-3632806>

High bank borrowing by govt to crowd out private sector

- The government plans to borrow BDT 1375 Bn from the banking sector in 2024-25 to finance the budget deficit. If the Bangladesh Bank does not provide any funds, the entire amount must come from the commercial banks.

<https://www.thedailystar.net/business/economy/news/high-bank-borrowing-govt-crowd-out-private-sector-3633426>

Sectors & Industries: ENERGY | Bangladesh-China JV to build 100MW solar power plant in Jamalpur

- According to sources, BRPL, a company jointly owned by the Power Development Board and the Bangladesh Rural Electrification Board (REB), will possess a 30% stake in the plant. In comparison, the Chinese company will hold the remaining 70%.

<https://www.tbsnews.net/bangladesh/energy/bangladesh-china-jv-build-100mw-solar-power-plant-jamalpur-875801>

TELECOM | Tax hikes on mobile usage to affect consumers, industry: Amtob

- The fiscal year 2024-25 budgetary proposal to hike supplementary duty on mobile top-ups alongside VAT on SIM cards will negatively impact consumers and the industry, said mobile operators yesterday.

<https://www.thedailystar.net/business/news/tax-hikes-mobile-usage-affect-consumers-industry-amtob-3633136>

WB forecasts steady, slight growth for Bangladesh for next two FYs

- The World Bank has forecast steady economic growth for Bangladesh, projecting a slight increase to 5.7% in the upcoming fiscal year and 5.9% in the fiscal 2025-26.

<https://www.tbsnews.net/economy/wb-forecasts-steady-slight-growth-bangladesh-next-two-fys-874876>

Tax from Google, FB: HC issues contempt of court rule against NBR chief

- The High Court yesterday issued a contempt of court rule against the NBR chairman for not complying with its verdict in 2020, which ordered to submit a report on the collection of taxes from Google, Facebook, YouTube, Yahoo, Amazon and other web-based companies before it every six months.

<https://www.thedailystar.net/business/tax-and-customs/news/tax-google-fb-hc-issues-contempt-court-rule-against-nbr-chief-3632711>

INSURANCE | MetLife provides free doctor consultancy for Hajj pilgrims

- This service is available to all registered members, including hajj pilgrims, if they register by 30 June 2024, and pilgrims are not required to have an insurance policy from MetLife. The service can be used for free as often as needed within 12 months of registration.

<https://today.thefinancialexpress.com.bd/stock-corporate/metlife-provides-free-doctor-consultancy-for-hajj-pilgrims-1718129370>

BANK | Crore-taka bank accounts drop by 1,018 in three months

- The number of bank accounts holding at least BDT 10 Mn dropped by 1,018 in the first quarter because, according to bankers, high inflation and the dollar crisis pushed up production costs, leading to reduced business deposits.

<https://www.tbsnews.net/economy/banking/crore-taka-bank-accounts-drop-1018-three-months-874881>

ADB extends USD 250 Mn loan to strengthen social protection

- This new ADB programme supports the government's Action Plan Phase II of the National Social Security Strategy, 2021–2026, to strengthen protective and preventive capacity of the social protection system in Bangladesh, the Manila-based global donor said in a statement.

<https://www.thedailystar.net/business/news/adb-extends-250-million-loan-strengthen-social-protection-3631601>

Govt plans to increase non-tax revenue

- In the last five years, revenue from tax was around 86.8% while NTR was 13.2%. And even though NTR grew by an average of 11.9% from FY19 to FY23, the report highlighted this growth as volatile.

<https://www.thedailystar.net/business/economy/news/govt-plans-increase-non-tax-revenue-3631711>

Measures for macroeconomic stability, trade, investment insufficient

- Although some steps were taken in the right direction, the measures proposed in the budget for the upcoming fiscal year centring macroeconomic stability, trade and investment are insufficient, experts and businesspeople opined in a discussion.

<https://www.thedailystar.net/business/news/measures-macroeconomic-stability-trade-investment-insufficient-3631656>

Black money whitening: Experts call for distinction between legal and illegal income

- The proposed budget allowed legalising black money with a 15% tax but did not provide a distinction between legitimate and illegitimate income, according to the Institute of Chartered Accountants of Bangladesh (ICAB).

<https://www.tbsnews.net/economy/budget/black-money-whitening-experts-call-distinction-between-legal-and-illegal-income>

Bangladesh economy on course for expansion

- Bangladesh economy is seen on course for expansion as a parameter styled Purchasing Managers' Index (PMI) shows a rise of 7.9 points from the previous month to 70.1 in its reading.

<https://today.thefinancialexpress.com.bd/first-page/bangladesh-economy-on-course-for-expansion-1717958264>

Govt to bank on crawling peg, global interest rate cuts to rebuild reserves

- The finance ministry said that the crawling peg that has almost made the exchange rate market-oriented and the falling global interest rates will help Bangladesh rebuild its foreign currency reserves.

<https://www.thedailystar.net/business/economy/news/govt-bank-crawling-peg-global-interest-rate-cuts-rebuild-reserves-3631181>

Blow for private economic zones, hi-tech parks as tax benefits go

- Investors and developers of private economic zones (EZs) and hi-tech parks are going to lose the 10-year-long tax waiver on their incomes from the next fiscal year as the government phases out exemptions.

<https://www.thedailystar.net/business/economy/news/blow-private-economic-zones-hi-tech-parks-tax-benefits-go-3631701>

TRADE | Patenga Container Terminal of Ctg Port operational from today

- A container vessel, the Singapore-flagged 'MAERSK DAVAO,' anchored at the terminal this morning, initiating regular handling activities. Authorities anticipate the terminal will handle approximately 500,000 Twenty-ft Equivalent Units (TEUs) annually.

<https://www.tbsnews.net/economy/patenga-container-terminal-ctg-port-operational-today-873771>

BANK | Recovery from crisis impossible without addressing banking sector's vulnerability

- Economists today expressed deep concerns over the current situation in the banking sector of Bangladesh and warned that the recovery from the current economic crisis would not be possible without addressing the sector's vulnerability.

<https://www.thedailystar.net/business/economy/news/recovery-crisis-impossible-without-addressing-banking-sectors-vulnerability-3631406>

BANK | Travel restriction on bankers relaxed

- Bankers can now go abroad for official and personal reasons without permission from the central bank, Bangladesh Bank said in a notice issued today.

<https://www.thedailystar.net/business/news/travel-restriction-bankers-relaxed-3632346>

FY2025 proposed budget misses the boat on stabilization

- All eyes were set on this year's budget presentation with the expectation that it would take some tough policy decisions because so much was riding on it. The budget means different things to different stakeholders.

<https://www.tbsnews.net/features/panorama/fy2025-proposed-budget-misses-boat-stabilisation-872426>

Import duty cut for LDC graduation: Long way to go for readiness

- The government has proposed removing and reducing import duties and supplementary duties on 282 products in fiscal year 2024-25 as it continues its efforts to prepare the nation for its graduation out of the Least Developed Country grouping.

<https://www.thedailystar.net/news/bangladesh/news/import-duty-cut-ldc-graduation-long-way-go-readiness-3630831>

BANK | BB allows new entities to assess credit worthiness of borrowers

- The Bangladesh Bank (BB) decided to allow individuals and private-sector companies to form 'credit bureaus' to assess loan eligibility and verify borrowers' repayment capacity.

<https://www.thedailystar.net/business/economy/news/bb-allows-new-entities-assess-credit-worthiness-borrowers-3631171>

GDP growth target set at 6.75% for FY25

- The government is optimistic that the country's GDP growth will be 6.75% for fiscal year 2024-25, nearly 1% higher than the outgoing year.

<https://www.tbsnews.net/economy/budget/gdp-growth-target-set-675-fy25-870371>

Tax exemption in FY25 rises to BDT 1630 Bn

- Tax exemptions provided by the National Board of Revenue (NBR) are estimated to rise to BDT 1630 Bn in fiscal 2024-25 as the tax administration looks to ease the pressure on individuals and facilitate higher economic growth.

<https://www.thedailystar.net/business/bangladesh-national-budget-fy2024-25/news/tax-exemption-fy25-rises-tk-163000cr-3629471>

Forex reserves decline by USD 51 Mn in a week

- Bangladesh's foreign currency reserves declined by USD 50.78 Mn a week to hit USD 18.67 Bn on June 5. The forex figure was calculated based on the balance of payments and investment position manual of the International Monetary Fund.

<https://www.thedailystar.net/business/news/forex-reserves-decline-51-million-week-3629296>

LED bulb, juice, home appliances among items brought under VAT hike

- The government has increased the value-added tax (VAT) on more than 13 goods and services, including LED bulbs, tube lights, juices, mango bars, rolling paper, security services, auction services, refrigerators, and air conditioners.

<https://www.tbsnews.net/economy/budget/led-bulb-juice-home-appliances-among-13-items-brought-under-vat-hike-870346>

FY25 Budget: Inflation target set at 6.5%

- The inflation target has been set at 6.5% for Fiscal 2024-25, disclosed Finance Minister Abul Hassan Mahmood Ali while unveiling the BDT 7.97 Tn national budget.

<https://www.tbsnews.net/economy/budget/fy25-budget-inflation-target-set-65-870326>

Higher effective tax rate contributes to capital flight

- A higher effective tax rate is driving away potential investors from Bangladesh, and it may contribute to capital flight and discourage reinvestments, businesspeople and analysts warned yesterday.

<https://www.thedailystar.net/business/news/higher-effective-tax-rate-contributes-capital-flight-3630006>

First-time BDT 2 Bn for green energy, ocean exploration

- The government is set to allocate a total of BDT 2 Bn for developing renewable energy and to explore the potential of marine resources for the first time.

<https://today.thefinancialexpress.com.bd/budget-2024-25/first-time-tk-2b-for-green-energy-ocean-exploration-1717699216>

BANK | Default loans hit historic high of BDT 1822.95 Bn

- Default loans in the banking sector hit an all-time high of BDT 1822.95 Bn at the end of March this year, according to the latest data of the Bangladesh Bank.

<https://www.thedailystar.net/business/news/default-loans-hit-historic-high-tk-182295-crore-3628321>

Good sides apart, new duty regime worries trade bodies

- Leading trade bodies found some solace in the proposed budget for the 2024-25 fiscal year with measures such as the reduction of required deposit from 20% to 10% of a disputed amount of VAT claim to appeal against it and allowing the import of 17 textile goods at a reduced rate.

<https://www.tbsnews.net/economy/budget/good-sides-apart-new-duty-regime-worries-trade-bodies-872331>

Most state enterprises turned a profit. That was overshadowed by loss-makers

- Out of 49 SOEs for which the financial data for the first 10 months of 2023-24 was available, 12 incurred combined losses of BDT 193.95 Bn. The rest 38 firms logged profits of BDT 133.53 Bn, according to the Bangladesh Economic Review 2024.

<https://www.thedailystar.net/business/economy/news/most-state-enterprises-turned-profit-was-overshadowed-loss-makers-3630296>

TRADE | Ctg-China freight costs double amid Red Sea conflicts; external trade suffers

- Freight rates for the Bangladesh-China route have more than doubled over the past six months due to container delays at major ports like Shanghai, Ningbo, Singapore and Colombo amid supply chain disruptions caused by the Houthi attacks in the Red Sea.

<https://www.tbsnews.net/economy/ctg-china-freight-costs-double-amid-red-sea-conflicts-external-trade-suffers-872461>

RMG | RMG export to USA falls 14% in Jan-Apr

- Bangladesh's garment export to its single largest export destination -- the USA -- declined by 14.44% year-on-year to USD 2.3 Bn in January-April.

<https://www.thedailystar.net/business/news/rmg-export-usa-falls-14-jan-apr-3629316>

BANK | Govt to rely more on bank borrowing in meeting budget deficit, pvt sector may take the hit

- The government intends to finance BDT1375 Bn out of its budget deficit projected at BDT 2516 Bn for fiscal year 2024-25 through borrowing from the banking sector while decreasing its foreign loan target to BDT 907 Bn.

<https://www.tbsnews.net/economy/budget/govts-bank-borrowing-target-set-tk137-lakh-crore-fy25-870606>

PHARMACEUTICALS | Drug makers, consumers have to wait to reap benefits from tax waivers

- The high dollar-taka exchange rate has escalated production costs, eroding profits. Besides, the cancer drugs that will enjoy tax waiver in imports of Active Pharmaceutical Ingredients (APIs) in FY25 are manufactured on a very small scale locally.

<https://today.thefinancialexpress.com.bd/stock-corporate/drug-makers-consumers-have-to-wait-to-reap-benefits-from-tax-waivers-1717859873>

Important News: Capital Market

PREMIERBAN | PREMIER BANK APPROVES 12.5% CASH DIVIDENDS

- The participants and shareholders present at the AGM duly approved all agendas, including the audit report and 12.50% cash dividends for 2023.

<https://today.thefinancialexpress.com.bd/stock-corporate/premier-bank-approves-125pc-cash-dividends-1718215852>

NRBCBANK | HC postpones NRBC Bank's AGM

- The High Court postponed NRBC Bank's annual general meeting slated for today following a writ petition alleging irregularities at the bank.

<https://www.thedailystar.net/business/economy/banks/news/hc-postpones-nrbc-banks-agm-3633586>

ALARABANK, FAMILYTEX | Al-Arafah Islami Bank puts Familytex assets on auction

- Al-Arafah Islami Bank has announced an auction to sell the collateral assets of Familytex BD Limited, a publicly traded company on the stock exchanges, to recover a default loan amounting to BDT 488.6 Mn.

<https://www.tbsnews.net/economy/stocks/al-arafah-islami-bank-puts-familytex-assets-auction-875786>

MTB | Mutual Trust Bank PLC spearheads open banking revolution with Grameenphone Ltd.

- Mutual Trust Bank (MTB) announces a transformative collaboration with the leading telecom operator Grameenphone. This partnership heralds the dawn of Banking as a Service (BaaS) with the launch of credit card lead generation application services through MyGP app.

<https://today.thefinancialexpress.com.bd/stock-corporate/mutual-trust-bank-plc-spearheads-open-banking-revolution-with-grameenphone-ltd-1718041908>

EBL | EBL launches off-shore banking deposit programme

- EBL has launched an offshore banking deposit programme for non-resident Bangladeshi's, foreign nationals and corporate customers worldwide.

<https://today.thefinancialexpress.com.bd/stock-corporate/ebel-launches-off-shore-banking-deposit-programme-1718129440>

WALTONHIL | Walton launches 'AI Doctor' feature for smart fridge

- Walton, a super brand in refrigerator sector, introduced the artificial intelligent system 'AI Doctor' feature in IoT (Internet of Things)-based smart fridge for the first time in Bangladesh.

<https://today.thefinancialexpress.com.bd/trade-market/walton-launches-ai-doctor-feature-for-smart-fridge-1717957505>

RINGSHINE | Ring Shine losses double in July-Dec

- The straggling textile company suffered losses amounting to BDT 705 Mn in July-December last year, up from a loss of BDT 380 Mn in the same period a year before.

<https://today.thefinancialexpress.com.bd/stock-corporate/ring-shine-losses-double-in-july-dec-1718129285>

EXCHANGE | Tax waiver, regulatory reforms must to breathe new life into stocks: DBA

- The DBA put forth its demands and asked the government to reconsider some of its key proposals, including formulating a roadmap for listing state-owned entities, waiver of tax, for example, on dividend income for new BO (beneficiary owner's) account holders, and a reduction in tax rate against commission income from share transactions by brokerage firms.

<https://today.thefinancialexpress.com.bd/stock-corporate/tax-waiver-regulatory-reforms-must-to-breathe-new-life-into-stocks-dba-1718129249>

DUTCHBANGL | DBBL approves 35% dividend at its 28th AGM

- At the AGM, the shareholders approved a 17.50% cent cash dividend and a 17.50% cash dividend for the year 2023. During the year under review, earnings per share, attributable to shareholders, was BDT 10.72 compared to BDT 7.57 (restated) during the previous year.

<https://thefinancialexpress.com.bd/stock/bangladesh/dbbl-approves-35pc-dividend-at-its-28th-agm>

EBL | EBL launches co-brand credit cards for BKMEA

- Eastern Bank (EBL) has launched co-brand credit cards for the members and staff of Bangladesh Knitwear Manufacturers and Exporters Association (BKMEA).

<https://today.thefinancialexpress.com.bd/stock-corporate/ebel-launches-co-brand-credit-cards-for-bkmea-1718041923>

EXCHANGE | Regulator suspends block trades in assets of RACE-managed pooled funds

- Block trades in assets in the portfolios of all mutual funds (MFs) managed by the country's largest private asset management company RACE will remain suspended until the regulatory body issues an order upon completing an investigation.

<https://today.thefinancialexpress.com.bd/stock-corporate/regulator-suspends-block-trades-in-assets-of-race-managed-pooled-funds-1717956771>

EXCHANGE | BSEC allows two IT companies to raise BDT 100 Mn

- BSEC allowed Brain Station 23, also one of the largest IT solutions and software exporters of Bangladesh, to issue 5 Mn shares at BDT 10 each, aiming to collect BDT 50 Mn as equity through a Qualified Investor Offer (QIO). BSEC allowed Doar Services to issue 5 Mn shares at BDT 10 each to collect BDT 50 Mn as equity through a Qualified Investor Offer (QIO).

<https://thefinancialexpress.com.bd/national/bsec-allows-two-it-companies-to-raise-tk-100-million>

EXCHANGE | How the budget will impact listed firms

- While the new budget lacks comprehensive provisions for the capital market beyond an investment opportunity for black money, the proposed tax measures – rebates for certain sectors and increases for others – could influence stock performance.

<https://www.tbsnews.net/economy/stocks/how-budget-will-impact-listed-firms-872276>

EXCHANGE | Owners of listed companies have to pay more gain tax

- To increase revenue collection from the stock market, the government has decided to raise the tax deducted at source (TDS) on capital gains from the existing 5% to 10% for sponsor-director shareholders and placement shareholders of listed companies or funds.

<https://www.tbsnews.net/economy/budget/owners-listed-companies-have-pay-more-gain-tax-871001>

EXCHANGE | Shareholders to face taxes on loans taken from listed companies

- A new clause has been incorporated in the proposed Finance Bill, suggesting that loans taken from public limited companies by its shareholders be treated as dividends and subject to taxation.

<https://www.tbsnews.net/nbr/shareholders-face-taxes-loans-taken-listed-companies-873231>

POWERGRID | Power Grid gets large sums as govt prioritises transmission, distribution

- Around a third of the budgetary allocation set aside for the power division is going to the Power Grid Company of Bangladesh (PGCB) as the government plans to make the most of installed generation capacity by expanding grids and making some of the existing facilities smart.

<https://www.thedailystar.net/business/economy/news/power-grid-gets-large-sums-govt-prioritises-transmission-distribution-3630291>

EXCHANGE | Stock investors face 15% tax on capital gains exceeding BDT 5 Mn

- Individual investors will face a 15% tax on capital gains exceeding BDT 5 Mn from the stock market in the upcoming fiscal year.

<https://www.tbsnews.net/economy/budget/stock-investors-face-15-tax-capital-gains-exceeding-tk50-lakh-870926>

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