

Weekly Market Update

Aug 15, 2024 (Week: Aug 11, 2024 – Aug 15, 2024)

Dhaka Stock Exchange

DSEX ended in Red (-0.35%) in the week

Capital Market Overview

The market closed in red this week. The benchmark index DSEX (-0.35%) lost -20.98 points and closed the week at 5,903.84 points. The blue-chip index DS30 (+2.19%) gained 46.61 points and stood at 2,179.35 points. The Shariah-based index DSES (-0.80%) lost -10.19 points and stood at 1,264.72 points. The large cap index CDSET (+0.90%) gained 10.38 points and closed at 1,162.54 points. DSEX, DS30, DSES and CDSET showed YTD returns of -5.49%, +4.08%, -7.29%, -3.35%, respectively.

Total Turnover During the Week (DSE): BDT 64.1 billion (USD 543 million)
Average Daily Turnover Value (ADTV): BDT 12.8 billion (Δ% Week: +53.6%)
Market P/E: 16.5x

Daily Index Movement during the Week

The market performed five sessions during this week. The market started on a positive note on Sunday (+1.54%). However, it turned negative on Monday (-1.39%) and continued the trend till Tuesday (-1.08%). The market turned positive again on Wednesday (+1.45%) but ended on a negative note on Thursday (-0.82%).

Sectoral Performance

- Financial sectors posted mixed performance this week. Life Insurance booked the highest gain of 6.96% followed by NBFII (+2.73%), and Bank (+0.98%). General Insurance experienced the highest loss of 5.68% followed by Mutual Fund (-1.11%).

- Non-financial (large-cap) sectors posted mixed performance this week. Telecommunication booked the highest gain of 15.91% followed by Food & Allied (+3.46%). Engineering experienced the highest loss of 3.38% followed by Fuel & Power (-2.61%), and Pharmaceutical (-1.33%).

Macroeconomic arena

- ADB engages with interim govt to support Bangladesh's development. Ctg port sets single-day delivery record; freight train increased to ease backlog. Chinese company to invest USD 6.7 Mn in Uttara EPZ. Abdur Rahman made NBR chairman. Bangladeshi turmoil risks weaker banks and slower financial reforms, S&P says. BANK | Money launderers will get no peace. BANK | Private banks' association seeks extension on term loan repayment, not all members aligned. BANK | Crisis in banks deeper than anyone could imagine. Govt to prioritise projects that boost business, jobs. Foreign loan repayments resume after over a week's pause. USD 600 Mn loans from EDF turn sour. Development paradigm pivots from megaprojects to health, edn. BANK | Ahsan H Mansur becomes BB governor. ENERGY | Gas found in Noakhali well. TRADE | New chairman of Ctg port takes charge. BANK | BB cuts special liquidity support for nine banks.

- IMF's 3rd review mission due in October. Migrant workers crowd exchange houses in Malaysia to send remittance home. Bangladesh's credit rating depends on political stability: Moody's. Private investment slows as confidence takes a knock. Food inflation tops 14% for first time in 13yrs. RMG | A section of BGMEA members call for fresh election of the association. BANK | Several banks are clinically dead: CPD. Time for economic restart. Ctg port sees 16.4% drop in export container handling in July. Businesses hit by drought of cash supply. MISCELLANEOUS | Paint industry investing in eco-friendly products. RMG | Russell new BTMA president as Khokon resigns. BANK | Banks open under new govt, need time for full normalcy. BANK | Nagad digital bank faces nemesis. BANK | Unrest in banking sector raises concerns. US proposes deputing revenue advisers to NBR. BANK | Power struggle shakes banking sector after govt change. BANK | Banking normalcy issue comes first, reform next.

Stock Market arena

- NTC | National Tea placement subscription extended for one-month. ISLAMIBANK | Assets of S Alam Group may help salvage Islami Bank. BRACBANK | BRAC Bank gives BDT 20 Mn for injured in student movement. LANKABAFIN | LankaBangla Finance's profit plunges as provision soars. EXCHANGE | Masrur Reaz appointed BSEC chairman. SIBL | Social Islami Bank hid BDT 79.36 Bn toxic loans with cenbank's help: Confidential document. EXCHANGE | How some Islamic banks issued dividends despite cash crunch. EXCHANGE | Resignation hits BSEC as 2 commissioners now step down. EXCHANGE | Securities regulator needs overhaul to free it from political bias: DBA. EXCHANGE | Mohsin appointed acting chairman of BSEC. EXCHANGE | Floor from 6 cos removed, then reinstated. CITYBANK | City Bank profit rises 5% in H1. EXCHANGE | BSEC Chairman Shibli resigns. EXCHANGE | Stock market getting rid of floor price this week, finally.

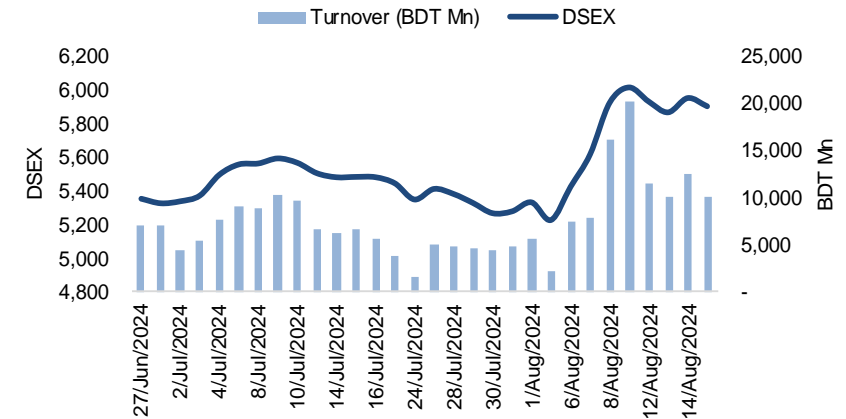
Table 1: Index

Index	Closing*	Opening*	Δ(Pts)	28-Dec-2023	Δ% Week	Δ% YTD
DSEX	5,903.84	5,924.81	-20.98	6,246.50	-0.35%	-5.49%
DS30	2,179.35	2,132.73	+46.61	2,093.83	+2.19%	+4.08%
DSES	1,264.72	1,274.91	-10.19	1,364.13	-0.80%	-7.29%
CDSET	1,162.54	1,152.16	+10.38	1,202.82	+0.90%	-3.35%

Table 2: Market Statistics

		This Week	Last Week	% Change
Mcap	Mn BDT	7,089,644	7,039,131	+0.7%
	Mn USD	60,082	59,654	
Turnover	Mn BDT	64,111	33,399	+92.0%
	Mn USD	543	283	
Average Daily Turnover	Mn BDT	12,822	8,350	+53.6%
	Mn USD	109	71	
Volume	Mn Shares	2,299	1,118	+105.8%

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
ISLAMICFIN	16.2	11.0	+47.3%	2,273	161.7	NM	1.5x
PRAGATILIF	187.5	144.0	+30.2%	6,102	621.1	NM	NM
PHOENIXFIN	10.2	8.2	+24.4%	1,692	57.0	NM	NM
DACCADYE	13.6	11.1	+22.5%	1,185	125.3	NM	0.4x
PREMIERLEA	5.5	4.5	+22.2%	731	7.0	NM	NM
AB BANK	11.0	9.0	+22.2%	9,853	970.8	15.1x	0.4x
HEIDELBCEM	359.3	294.5	+22.0%	20,302	602.2	50.4x	5.0x
FAREASTFIN	5.1	4.2	+21.4%	837	10.8	NM	NM
FIRSTFIN	5.1	4.2	+21.4%	605	12.0	NM	NM
UCB	13.7	11.3	+21.2%	21,240	847.7	8.2x	0.5x

Table 4: Top Ten Losers

Company Name	Close*	Open*	Δ%	Mcap**	Turnover**	PE	PB
GQBALLPEN	144.5	168.0	-14.0%	1,290	133.5	NM	1.2x
HAMI	120.9	140.5	-14.0%	931	7.3	NM	13.3x
NAVANAPHAR	72.2	83.8	-13.8%	7,755	133.2	18.5x	1.7x
SONALIPAPR	232.3	269.1	-13.7%	7,653	302.5	70.6x	1.4x
GHCL	33.3	38.5	-13.5%	2,398	82.2	NM	0.8x
EMERALDOIL	37.3	43.1	-13.5%	3,404	176.5	28.8x	NM
SALVOCHEM	40.6	46.9	-13.4%	2,640	300.9	19.9x	2.4x
DESHBANDHU	28.1	32.4	-13.3%	1,724	85.9	47.6x	1.4x
SPCERAMICS	24.9	28.7	-13.2%	3,659	5.1	NM	0.8x
CENTRALPHL	17.9	20.6	-13.1%	2,144	200.6	NM	2.5x

Table 5: Top Ten Most Traded Shares

Company Name	Close*	Open*	Δ%	Mcap**	Turnover**	PE	PB
GP	377.0	317.8	+18.6%	509,063	4,965.0	14.4x	7.1x
BRACBANK	53.1	46.9	+13.2%	93,972	3,042.0	9.6x	1.3x
BATBC	427.9	408.9	+4.6%	231,066	1,663.2	13.2x	4.4x
ROBI	33.6	30.5	+10.2%	175,995	1,658.6	37.8x	2.8x
SQURPHARMA	234.9	236.4	-0.6%	208,227	1,642.3	10.3x	1.7x
IFIC	10.8	9.3	+16.1%	20,759	1,592.3	8.1x	0.6x
TECHNODRUG	52.6	58.1	-8.2%	6,943	1,476.5	0.0x	1.8x
CITYBANK	24.1	24.3	-0.8%	32,465	1,344.6	4.9x	0.9x
UNILEVERCL	3,136.7	2,986.9	+5.0%	60,458	1,048.6	68.1x	27.6x
AB BANK	11.0	9.0	+22.2%	9,853	970.8	15.1x	0.4x

Table 6: Most Appreciated YTD in BRAC EPL Universe

Company Name	Close*	YTD %Δ	Mcap**	PE	PB
BRACBANK	53.1	+63.2%	93,972	9.6x	1.3x
UNILEVERCL	3,136.7	+55.3%	60,458	68.1x	27.6x
HEIDELBCEM	359.3	+50.0%	20,302	50.4x	5.0x
GP	377.0	+31.5%	509,063	14.4x	7.1x
CITYBANK	24.1	+23.9%	32,465	4.9x	0.9x
ISLAMIBANK	39.9	+22.4%	64,239	9.9x	0.9x
UCB	13.7	+16.0%	21,240	8.2x	0.5x
JAMUNAOIL	191.3	+13.5%	21,124	5.2x	0.9x
DUTCHBANGL	57.1	+13.5%	50,181	6.6x	1.0x
ROBI	33.6	+12.0%	175,995	37.8x	2.8x

Table 7: Sector Indices

Sector Name	Week Close*	Week Open*	Year Open*	Δ% Week	Δ% YTD
Bank	1,576.1	1,560.7	1,455.32	+0.98%	+8.30%
NBFI	1,443.6	1,405.2	1,902.52	+2.73%	-24.12%
Mutual Fund	736.9	745.1	876.90	-1.11%	-15.97%
General Insurance	3,227.0	3,421.4	3,489.09	-5.68%	-7.51%
Life Insurance	2,276.7	2,128.5	2,637.78	+6.96%	-13.69%
Telecommunication	6,119.6	5,279.4	4,945.60	+15.91%	+23.74%
Pharmaceutical	3,321.4	3,366.0	3,732.58	-1.33%	-11.02%
Fuel & Power	1,316.5	1,351.8	1,691.80	-2.61%	-22.18%
Cement	2,580.5	2,557.9	2,523.22	+0.88%	+2.27%
Services & Real Estate	1,421.6	1,463.2	1,518.57	-2.85%	-6.39%
Engineering	3,196.1	3,307.8	4,520.40	-3.38%	-29.30%
Food & Allied	19,817.2	19,154.2	21,180.76	+3.46%	-6.44%
IT	2,607.4	2,683.5	2,894.80	-2.83%	-9.93%
Textile	1,341.5	1,345.3	1,658.23	-0.28%	-19.10%
Paper & Printing	6,356.2	6,982.4	10,093.63	-8.97%	-37.03%
Tannery	2,368.7	2,537.7	3,103.94	-6.66%	-23.69%
Jute	15,328.4	16,634.4	17,683.51	-7.85%	-13.32%
Ceramics	516.3	557.4	694.56	-7.37%	-25.66%
Miscellaneous	4,260.2	4,298.6	4,265.32	-0.89%	-0.12%

Table 8: Sector Trading Matrix

Sector Name	Daily average this Week	Daily average last Week	% Change	% of Total Turnover	PE	PB
Bank	3,059.3	1,461.5	+109.33%	+24.38%	8.2x	0.8x
NBFI	545.5	249.9	+118.32%	+4.35%	NM	NM
Mutual Fund	346.4	242.5	+42.83%	+2.76%	NM	0.7x
General Insurance	274.8	278.9	-1.49%	+2.19%	16.8x	1.4x
Life Insurance	428.1	166.6	+157.02%	+3.41%	NM	NM
Telecommunication	1,365.1	217.6	+527.27%	+10.88%	16.9x	4.7x
Pharmaceutical	1,899.7	1,624.7	+16.93%	+15.14%	16.9x	1.8x
Fuel & Power	349.0	238.7	+46.20%	+2.78%	22.7x	0.8x
Cement	258.1	185.2	+39.34%	+2.06%	20.8x	2.7x
Services & Real Estate	326.3	359.3	-9.19%	+2.60%	24.6x	0.6x
Engineering	664.8	606.5	+9.61%	+5.30%	15.6x	1.2x
Food & Allied	997.3	915.3	+8.95%	+7.95%	19.3x	6.1x
IT	347.4	307.4	+13.02%	+2.77%	28.3x	2.2x
Textile	1,145.9	629.2	+82.12%	+9.13%	NM	0.9x
Paper & Printing	121.7	102.2	+19.06%	+0.97%	41.0x	1.3x
Tannery	84.0	75.0	+11.90%	+0.67%	44.7x	2.4x
Jute	30.2	33.5	-9.77%	+0.24%	NM	NM
Ceramics	89.8	69.9	+28.44%	+0.72%	61.1x	1.4x
Miscellaneous	217.3	250.5	-13.25%	+1.73%	39.3x	1.8x

Table 9: Least Appreciated YTD in BRAC EPL Universe

Company Name	Close*	YTD %Δ	Mcap**	PE	PB
DOREENPWR	28.3	-53.6%	5,126	7.1x	0.5x
IPDC	26.7	-51.3%	10,404	29.7x	1.6x
BBSCABLES	28.1	-43.7%	5,949	NM	0.9x
RUNNERAUTO	28.1	-41.9%	3,190	NM	0.5x
SUMITPOWER	19.8	-41.8%	21,144	27.9x	0.5x
BXPBARMA	85.4	-41.6%	38,098	7.1x	0.8x
WALTONHIL	649.2	-38.0%	196,661	15.2x	1.8x
UPGDCL	147.3	-37.0%	85,389	11.4x	2.5x
RENATA	789.2	-35.2%	90,518	39.4x	2.8x
ACI	168.8	-35.1%	12,864	NM	1.7x

Important News: Business, Economy & Sector

ADB engages with interim govt to support Bangladesh's development

- The Asian Development Bank (ADB) has engaged with the interim government to support Bangladesh's development strides. The official said a core focus of ADB's work in Bangladesh is on public sector management and governance, which is even more important in light of recent events.

<https://thefinancialexpress.com.bd/economy/bangladesh/adb-engages-with-interim-govt-development>

BANK | Money launderers will get no peace

- Newly appointed Bangladesh Bank Governor Ahsan H Mansur yesterday announced that he would initiate tough measures against money launderers with international support so that "they are unable to live in peace".

<https://www.thedailystar.net/business/news/money-launderers-will-get-no-peace-3677706>

Chinese company to invest USD 6.7 Mn in Uttara EPZ

- Chinese company Meigo (Bangladesh) Ltd is going to invest USD 6.7 Mn to set up a collectable items and toys manufacturing factory at Uttara Export Processing Zone (UEPZ) in Nilphamari. This foreign owned company will annually produce 700,000 pieces of collectable items and toys (diecast, plastic, plush & fabric), reads a press release.

<https://www.tbsnews.net/economy/chinese-company-invest-67-million-uttara-epz-916851>

Abdur Rahman made NBR chairman

- The government yesterday appointed Abdur Rahman Khan, secretary to Financial Institutions Division (FID), as chairman of the National Board of Revenue (NBR) by cancelling the contractual appointment of Abu Hena Md Rahmatul Muneem.

<https://www.thedailystar.net/business/news/abdur-rahman-made-nbr-chairman-3677696>

Bangladeshi turmoil risks weaker banks and slower financial reforms, S&P says

- The agency said the banking industry's weaknesses, including a lack of liquidity, thin capital buffers and ailing asset quality, have been exacerbated while the departure of senior central bank officials could delay ongoing structural reforms.

<https://www.tbsnews.net/economy/bangladeshi-turmoil-risks-weaker-banks-and-slower-financial-916666>

BANK | Private banks' association seeks extension on term loan repayment, not all members aligned

- The Bangladesh Association of Banks (BAB) has requested the Bangladesh Bank for an extension of six months for the repayment of term loans, citing the current economic challenges as the primary reason for their request.

<https://www.tbsnews.net/economy/banking/private-banks-association-seeks-extension-all-members>

BANK | Crisis in banks deeper than anyone could imagine

- Experts and businesspeople yesterday urged the newly formed interim government to adopt urgent measures to ensure good governance in the banking sector, saying that the crisis in financial institutions is much deeper than anyone could imagine.

<https://www.thedailystar.net/business/news/crisis-banks-deeper-anyone-could-imagine-3677711>

Ctg port sets single-day delivery record; freight train increased to ease backlog

- The country's main seaport Chattogram has achieved a milestone by delivering 5,100 TEUs (twenty-foot equivalent unit) of containers in the past 24 hours from 8am on Tuesday till 8am on Wednesday. This was the highest delivery in a single day at Chattogram port, its Secretary Omar Faruk told The Business Standard.

<https://www.tbsnews.net/economy/ctg-port-sets-record-container-deliveries-single-day-916861>

Govt to prioritise projects that boost business, jobs

- The interim government will prioritise the ongoing projects that will help to increase business activities involving the people's livelihood, according to Finance and Planning Adviser Salehuddin Ahmed. Besides, steps will be taken to stop the wastage of money at any cost as money supply and its utilisation is very important, he said.

<https://www.thedailystar.net/business/news/govt-prioritise-projects-boost-business-jobs-3676726>

ENERGY | Gas found in Noakhali well

- The Bangladesh Petroleum Exploration and Production Company has found gas at four levels after drilling a well in Noakhali's Sonaimuri Upazila. The flare stack was lit at the well near Wasekpur village in Ambarnagar Union on Monday, according to Md Asaduzzaman, the Begumganj-4 (West) valuation, well digging and development officer.

<https://today.thefinancialexpress.com.bd/trade-market/gas-found-in-noakhali-well-1723574018>

ADP spending in FY24 almost as low as pandemic period

- The government could implement 81% of the annual development programme (ADP) in fiscal year (FY) 2023-24, which is nearly the same implementation rate seen during the Covid-19 pandemic. The implementation rate is 4.25% points lower than the previous fiscal year.

<https://www.thedailystar.net/business/news/adp-spending-fy24-almost-low-pandemic-period-3676741>

USD 600 Mn loans from EDF turn sour

- Loans amounting to nearly USD 600 Mn, or BDT 70 Bn, disbursed from the Export Development Fund (EDF), which was formed based on the country's foreign exchange reserves, have been defaulted, according to a Bangladesh Bank (BB) document.

<https://www.thedailystar.net/business/news/600m-loans-edf-turn-sour-3676731>

Development paradigm pivots from megaprojects to health, edn

- The development paradigm now pivots from megaprojects to vital sectors like health and education as Finance and Planning Adviser Dr Salehuddin Ahmed indicated Tuesday and cautioned against lavish spending of public money.

<https://today.thefinancialexpress.com.bd/first-page/development-paradigm-pivots-from-572785>

BANK | Ahsan H Mansur becomes BB governor

- The government has appointed Ahsan H Mansur as the new governor of the Bangladesh Bank for the next four years. The Financial Institutions Division of the Finance Ministry announced the appointment in a circular issued today (13 August). He will succeed Abdur Rouf Talukder.

<https://www.tbsnews.net/economy/banking/ahsan-h-mansur-becomes-bb-governor-916126>

Foreign loan repayments resume after over a week's pause

- Payments of principal and interest on foreign loans for various development projects and government purchases of oil, gas, and fertilisers have resumed after more than a week's pause, according to sources from the Economic Relations Division (ERD).

<https://www.tbsnews.net/economy/foreign-loan-repayments-resume-after-over-weeks-pause-915366>

RMG | Russell new BTMA president as Khokon resigns

- Showkat Aziz Russell, chairman of Amber Group, was elected president of the Bangladesh Textiles Mills Association (BTMA) yesterday.

<https://www.tbsnews.net/economy/rmg/russell-new-btma-president-khokon-resigns-914561>

TRADE | New chairman of Ctg port takes charge

- Rear Admiral SM Moniruzzaman, OSP, NDC, NCC, PSC took charge as Chairman of Chittagong Port Authority CPA on Sunday. He replaced outgoing CPA Chairman Rear Admiral Mohammad Sohail, OSP, NUP, PPM, PSC. Before joining as CPA Chairman, Rear Admiral S.M. Moniruzzaman was serving as the Commander of Bangladesh Navy (BN) Fleet.

<https://today.thefinancialexpress.com.bd/trade-market/new-chairman-of-ctg-port-takes-charge-1723574054>

BANK | BB cuts special liquidity support for nine banks

- The Bangladesh Bank reduced the special liquidity support extended to nine lenders, including five Shariah-based banks, despite the absence of a governor. All nine of the banks have long been battling a liquidity crisis. They have been running operations by utilising the central bank's special liquidity support, BB data showed.

<https://www.thedailystar.net/business/news/bb-cuts-special-liquidity-support-nine-banks-3676746>

IMF's 3rd review mission due in October

- The International Monetary Fund (IMF) is scheduled to send its third review mission to Bangladesh next October to assess the progress in meeting the conditions for releasing the fourth tranche of the USD 4.7 Bn loan agreement. IMF Resident Representative for Bangladesh, Jayendu De, disclosed the information in a letter to the Ministry of Finance.

<https://www.tbsnews.net/economy/imfs-3rd-review-mission-due-october-915321>

Migrant workers crowd exchange houses in Malaysia to send remittance home

- A total of USD 482.77 Mn has entered Bangladesh as remittance in the first 10 days of August. During the first six days before and after Sheikh Hasina's exit, only USD 95.65 Mn came to Bangladesh as a remittance. The amount has shot up to USD 387.12 Mn in just three days from 7 August to 10 August.

<https://www.tbsnews.net/economy/migrant-workers-crowd-exchange-houses-malaysia-send-914966>

Time for economic restart

- The new interim government that took over Thursday night is left with the tough task of bringing the economy back to normal by restoring public order and getting related organs back to business in full.

<https://www.tbsnews.net/economy/time-economic-restart-913816>

Bangladesh's credit rating depends on political stability: Moody's

- Bangladesh's credit rating will depend on maintaining political stability and the interim government committing to structural reforms, told US ratings agency Moody's. The agency said credit ratings might worsen if prolonged political or social unrest derails progress on structural reforms and dampens growth or if the interim government deviates from its commitments to structural reforms.

<https://www.thedailystar.net/business/news/bangladeshs-credit-rating-depends-political-675891>

Private investment slows as confidence takes a knock

- Private investment as a percentage of Bangladesh's gross domestic product (GDP) has been declining for the past three years due to low investor confidence amid global crises, a persisting US dollar crisis and high inflation. The private investment to GDP ratio lost 0.67% points year-on-year to stand at 23.51% in fiscal year 2023-24.

<https://www.thedailystar.net/business/news/private-investment-slows-confidence-takes-knock-3675871>

Food inflation tops 14% for first time in 13yrs

- Bangladesh's worsening economic crisis has spun off a price shock with food inflation crossing 14% in July for the first time in 13 years. The consumer price index that includes food and non-food inflation rose 1.94 basis points to 11.66% in July from the previous month, according to data released by the Bangladesh Bureau of Statistics yesterday.

<https://www.thedailystar.net/business/economy/news/food-inflation-tops-14pc-first-time-13yrs-3675706>

RMG | A section of BGMEA members call for fresh election of the association

- A number of members of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA) have called for the resignation of the current president, SM Mannan Kochi, and his board of directors. They described the March election as involving "unprecedented rigging" and are demanding a new election with a transparent voter list.

<https://www.tbsnews.net/economy/rmg/section-bgmea-members-call-fresh-election-association-915231>

BANK | Several banks are clinically dead: CPD

- Several banks in Bangladesh are clinically dead but are being kept alive through bailouts, said Fahmida Khatun, executive director of the Centre for Policy Dialogue (CPD). Banks on the verge of collapse should be allowed to shut down, Fahmida said while presenting a paper at a media briefing, titled "Bringing discipline back to the banking sector immediately", organised by the think-tank at its office in the capital yesterday.

<https://www.thedailystar.net/business/news/several-banks-are-clinically-dead-cpd-3675896>

Ctg port sees 16.4% drop in export container handling in July

- According to Chattogram port data, 59,845 TEUs (twenty-foot equivalent units) of laden export containers and 114,455 TEUs of laden import cargo were handled in July. The port handled 69,662 TEUs of laden export cargo and 114,591 TEUs of laden import containers in the previous month.

<https://www.tbsnews.net/economy/ctg-port-sees-164-drop-export-container-handling-july-914566>

Businesses hit by drought of cash supply

- Businesses in Bangladesh, especially those that mostly deal with cash transactions, yesterday said they are contending with a liquidity crunch as the country's central bank has placed a limit on daily cash withdrawals from banks. On Saturday, banks were told to disallow daily cash withdrawals of more than BDT 0.2 Mn per account.

<https://www.thedailystar.net/business/news/businesses-hit-drought-cash-supply-3675111>

US proposes deputing revenue advisers to NBR

- A US proposal for deputing its "skilled revenue advisers" to help expand Bangladesh's revenue base and enhance receipt is under scrutiny, sources said. In the proposal, the US Department of Treasury has expressed its willingness to provide technical assistance to the Bangladesh government for expanding the country's poor base of domestic revenue.

<https://thefinancialexpress.com.bd/economy/bangladesh/us-proposes-deputing-revenue-advisers-to-nbr>

BANK | Banks open under new govt, need time for full normalcy

- Bank operations resumed on the first working day under the interim government, marking a return to normalcy with disruptions in cheque clearing at some Islamic banks. However, bankers said it will be a gradual process for the banking sector to return to complete normalcy which will take more time.

<https://www.tbsnews.net/economy/banking/banks-open-under-new-govt-need-time-full-normalcy-914551>

BANK | Nagad digital bank faces nemesis

- Much-hyped Nagad Digital Bank is on the brink following a paradigm shift as the regulator is considering cancelling its licence allegedly for the intervention of two influential persons of the immediate-past government. People familiar with the reckoning at the Bangladesh Bank told the FE that they had made their recommendations regarding the cancellation of the licence.

<https://thefinancialexpress.com.bd/economy/nagad-digital-bank-faces-nemesis>

BANK | Unrest in banking sector raises concerns

- Unrest has gripped the banking sector at a time when several banks are burdened with huge default loans and are suffering from low asset quality. Protests erupted at Bangladesh Bank the day after Sheikh Hasina's government was ousted on August 5 in the face of a mass uprising.

<https://www.thedailystar.net/business/news/unrest-banking-sector-raises-concerns-3675101>

Exporters upbeat about loss recovery

- Exporters are optimistic that the new interim government, led by Prof Muhammad Yunus, will boost buyers' confidence and increase orders due to the Nobel laureate's positive reputation in the West, a key market for Bangladesh's exports.

<https://www.tbsnews.net/economy/exporters-upbeat-about-loss-recovery-913186>

BANK | Bangladesh Bank Governor Abdur Rouf resigns

- Bangladesh Bank Governor Abdur Rouf Talukder on Friday (9 August) resigned from his position, citing personal reasons. He submitted his resignation letter to the Finance Ministry at 3:00 pm on the day.

<https://www.tbsnews.net/economy/banking/bangladesh-bank-governor-abdur-rouf-resigns-913001>

BANK | Power struggle shakes banking sector after govt change

- Banks previously controlled by companies aligned with the ousted Awami League government have experienced significant power shifts and unrest in recent days, following the government's fall.

<https://www.tbsnews.net/economy/banking/power-struggle-shakes-banking-sector-after-913106>

BANK | Banking normalcy issue comes first, reform next

- Restoring confidence and normalcy in the banking sector comes first before going for reforms, said Finance and Planning Adviser Dr Salehuddin Ahmed after his maiden meet held Saturday with the top brass under his jurisdiction.

<https://today.thefinancialexpress.com.bd/first-page/banking-normalcy-issue-comes-first-310241>

MISCELLANEOUS | Paint industry investing in eco-friendly products

- Paint companies are increasingly investing in developing new products, particularly those with a low environmental impact, according to Mohsin Habib Chowdhury, the chief operating officer of Berger Paints Bangladesh Limited.

<https://www.thedailystar.net/business/news/paint-industry-investing-eco-friendly-products-3675091>

Important News: Stocks

NTC | National Tea placement subscription extended for one-month

- National Tea Company Limited has extended the subscription period for its placement shares by one month, now set to close on 19 September. Previously, the closing date was set for 19 August, with the subscription having initially begun on 19 July.

<https://www.tbsnews.net/economy/stocks/national-tea-placement-subscription-extended-one-month-916996>

ISLAMIBANK | Assets of S Alam Group may help salvage Islami Bank

- S Alam Group and its sister concerns have reportedly taken around BDT 500 Bn in the last seven and a half years in violation of banking rules, making Islami Bank suffer from a severe liquidity crisis. The business conglomerate did so by forcefully taking control of the bank in 2017, leveraging its political connection with the then-Awami League-led government.

<https://today.thefinancialexpress.com.bd/stock-corporate/assets-of-s-alam-group-may-help-salvage-islami-bank-1723659406>

BRACBANK | BRAC Bank gives BDT 20 Mn for injured in student movement

- BRAC Bank has announced the allocation of BDT 20 Mn from its Corporate Social Responsibility fund to support the treatment of students and other individuals wounded during the recent movement.

<https://today.thefinancialexpress.com.bd/stock-corporate/brac-bank-gives-tk-20m-for-injured-in-student-movement-1723659479>

LANKABAFIN | LankaBangla Finance's profit plunges as provision soars

- LankaBangla Finance showed a 74% year-on-year decline in profit to BDT 25.77 Mn in the second quarter through June this year as its provision soared by a whopping 1,200%. According to its financial statements, it had kept BDT 24.05 Mn as a provision against non-performing loans and unrealised losses in investments in the second quarter of last year, which escalated to BDT 328 Mn in the same quarter this year.

<https://today.thefinancialexpress.com.bd/stock-corporate/lankabangla-finances-profit-plunges-as-provision-soars-1723574571>

EXCHANGE | Masrur Reaz appointed BSEC chairman

- Prominent economist and public policy expert M Masrur Reaz has been appointed as the chairman of the Bangladesh Securities and Exchange Commission (BSEC). The Financial Institutions Division issued a circular, signed by Deputy Secretary Farida Yasmin, in this regard today (13 August).

<https://www.tbsnews.net/economy/stocks/masrur-reaz-appointed-bsec-chairman-915706>

SIBL | Social Islami Bank hid BDT 79.36 Bn toxic loans with cenbank's help: Confidential document

- Shariah-based Social Islami Bank, owned by S Alam Group, concealed BDT 79.36 Bn in defaulted loans with the help of a central bank official, according to a confidential Bangladesh Bank report. According to the inspection report, the defaulted loans at the end of December 2023 amounted to BDT 95.68 Bn, but Social Islami Bank reported only BDT 16.44 Bn to the money market regulator.

<https://www.tbsnews.net/economy/banking/social-islami-bank-hides-tk7936cr-toxic-loans-915141>

EXCHANGE | How some Islamic banks issued dividends despite cash crunch

- All the cash-strapped Islamic banks owned by S Alam Group disbursed cash dividends for 2023 to their directors and shareholders by taking liquidity support from the Bangladesh Bank under a special facility called the lender of last resort (LoR).

<https://www.tbsnews.net/economy/banking/how-some-islamic-banks-issued-dividends-despite-914646>

EXCHANGE | Resignation hits BSEC as 2 commissioners now step down

- Two commissioners of the Bangladesh Securities and Exchange Commission (BSEC) have resigned: Shaikh Shamsuddin Ahmed and Rumana Islam, both professors at the University of Dhaka. The Financial Institutions Division (FID) accepted their resignations, which are effective from 11 August.

<https://www.tbsnews.net/bangladesh/government-accepts-two-bsec-commissioners-resignation-915011>

EXCHANGE | Securities regulator needs overhaul to free it from political bias: DBA

- The DSE Brokers Association (DBA) of Bangladesh placed a 30-point demand, including a massive overhaul of the securities regulator and immediate removal of corrupt officials to ensure good governance.

<https://today.thefinancialexpress.com.bd/stock-corporate/securities-regulator-needs-480805>

EXCHANGE | Mohsin appointed acting chairman of BSEC

- Commissioner Md Mohsin Chowdhury has been appointed as the acting chairman of the Bangladesh Securities and Exchange Commission (BSEC). The appointment comes a day after Professor Shibli Rubayat-UI-Islam resigned as chairman of BSEC last Saturday night (August 10).

<https://thefinancialexpress.com.bd/national/mohsin-appointed-acting-chairman-of-bsec>

EXCHANGE | Investors, officials demand BSEC reforms, resignations over corruption

- Investors and officials have called for reforms in the Bangladesh Securities and Exchange Commission (BSEC), the stock market regulatory body, urging it to operate strictly within the law and demanding the removal of individuals appointed due to lobbying or political considerations.

<https://www.tbsnews.net/economy/stocks/investors-officials-demand-bsec-reforms-resignations-over-corruption-914531>

EXCHANGE | Floor from 6 cos removed, then reinstated

- Before his resignation, Prof Shibli signed an order on Thursday removing the floor price of Beximco, Khulna Power, and Shahjibazar Power, which was supposed to take effect from August 11, and of the remaining three companies -- Islami Bank, BSRM and Meghna Petroleum, to be effective from August 14. Then Mohsin Chowdhury, the newly appointed chairman in-charge of the BSEC, scrapped the order and kept the floor prices in place.

<https://today.thefinancialexpress.com.bd/stock-corporate/floor-from-6-cos-removed-1723397929>

CITYBANK | City Bank profit rises 5% in H1

- City Bank's consolidated net profit for the first half of 2024 increased by 5% to BDT 2.5 Bn compared to the same period last year. According to the price-sensitive information of the private sector lender, its consolidated earnings per share (EPS) for the January-June period was BDT 1.85, up from BDT 1.76 a year ago.

<https://www.tbsnews.net/economy/stocks/city-bank-profit-rises-5-h1-913771>

EXCHANGE | BSEC Chairman Shibli resigns

- Bangladesh Securities and Exchange Commission (BSEC) Chairman Prof Shibli Rubayat-UI Islam resigned yesterday (10 August). On 28 May this year, recently ousted prime minister Sheikh Hasina reappointed Shibli Rubayat for four more years as BSEC chairman.

<https://www.tbsnews.net/economy/stocks/bsec-chairman-shibli-resigns-913776>

EXCHANGE | Stock market getting rid of floor price this week, finally

- The Bangladesh Securities and Exchange Commission (BSEC) on Thursday evening asked both the bourses to remove the floor price for three stocks namely Beximco Limited, Khulna Power Company and Shahjibazar Power Company from Sunday.

<https://www.tbsnews.net/economy/stocks/stock-market-getting-rid-floor-price-week-finally-913721>

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