

Weekly Market Update

Capital Market Overview

The market closed in red this week. The benchmark index DSEX (-2.54%) lost -143.63 points and closed the week at 5,517.42 points. The blue-chip index DS30 (-2.05%) lost -41.24 points and stood at 1,973.99 points. The Shariah-based index DSES (-2.45%) lost -30.41 points and stood at 1,212.16 points. The large cap index CDSET (-2.83%) lost -30.19 points and closed at 1,036.53 points. DSEX, DS30, DSES and CDSET showed YTD returns of -11.67%, -5.72%, -11.14%, -13.83%, respectively.

Total Turnover During the Week (DSE): BDT 38.2 billion (USD 325 million)
Average Daily Turnover Value (ADTV): BDT 7.6 billion (Δ% Week: -20.4%)
Market P/E: 14.4x

Daily Index Movement during the Week

The market performed five sessions during this week. The market started on a positive note (+0.63%) on Sunday, and then remained negative throughout the week on Monday (-0.53%), Tuesday (-1.43%), Wednesday (-1.04%) and Thursday (-0.18%).

Sectoral Performance

• Most of the financial sectors posted positive performance this week. Life Insurance booked the highest gain of 7.94% followed by NBFII (+2.57%), General Insurance (+0.38%), Mutual Fund (+0.05%), and Bank (-3.86%).

• All the non-financial (large-cap) sectors registered negative performance this week. Pharmaceutical experienced the highest loss of 3.46% followed by Telecommunication (-3.35%), Engineering (-3.24%), Food & Allied (-3.24%), and Fuel & Power (-0.78%).

Macroeconomic arena

• Rooppur, Matarbari and metro projects to get highest ADP allocation. TECH | SBK Tech Ventures invests USD 7.1 Mn in six local startups. TRADE | Draft of Export Policy 2024-2027 approved eyeing USD 110 Bn export target in FY27. BANK | Bangladesh expands offshore banking in hunt for forex. BANK | Cenbank refuses to raise single borrower exposure limit. BANK | Islamic banks lose BDT 84.96 Bn deposits in a month. TRADE | EPZ investors may lose duty-free benefits for machinery, vehicles imports. Mitigating deficit: Govt targets external financing of BDT 1.20 Tn, BDT 1.30 Tn over next two fiscals. BANK | Govt's bank borrowing gets costlier as Treasury bill, bond rates hiked. RMG | BGMEA seeks policy revisions for industry's growth. Inflation eases but stays above 9% in April. Make budget tight, control inflation. Govt targets BDT 4.8 Tn tax haul in FY25.

• ENERGY | Listed state fuel oil firms record robust profits, others struggle. TRADE | Govt to impose tariffs on raw jute exports. TELECOM | BTRC to seek BDT 8.718 Mn dues from Software Shop. BANK | State banks' bad loans defy BB roadmap, jumps to 27% in a year. Crawling peg unlikely to inflate prices of imported goods: Bankers, businesses. NBR may take host of measures to boost collection. NBR plans to come out of zero-duty facility. Kerb market can charge BDT 1 above bank dollar selling rate. BANK | Sonali Bank, BDBL sign MoU for merger. BANK | Use alternative dispute resolution to reduce NPLs. Bangladesh economy showing resilience. Gas, power tariffs poised for frequent hike. Forex reserves decline by USD 133 Mn in a week. Reserve money shrinks to BDT 3.3 Tn as 'devolvement' printing halted. BANK | Banks' profits swell on interest, T-bond income.

Stock Market arena

• EBL | Eastern Bank profit jumps 35% in Jan-Mar. CITYBANK | City Bank's profit grows marginally in first quarter. NCCBANK | NCC Bank profit drops 78% in Jan-Mar. EXCHANGE | Rules for margin loans: Regulator, lenders consider reforms. BATASHOE | Bata Shoe's profit grows 35% in Jan-Mar. UNILEVERCL | Unilever Consumer Care declares 300% cash dividends. BRACBANK | BRAC Bank to get USD 50 Mn loan from British International Investment. GREENDELTA | Green Delta logs BDT 80 Mn profit in Q1. BANKASIA | Bank Asia's first-quarter profit down 41% due to higher provisions. BATBC | BAT earnings fall over 9% in Q1 as inflation squeezes demand. IDLC | IDLC Finance's profit surges 2% in Jan-Mar. LOVELLO | Lovello Ice-cream skyrockets in 3.5 months. LHBL | LafargeHolcim's profit drops for first time since 2022's Q1. SBACBANK | SBAC Bank's profit up 41% in first quarter. RENATA | Renata ships first drug registered in Australia SOUTHEASTB | Southeast Bank's profit declines 36% in first quarter. ICB | ICB set to get at least BDT 30 Bn to inject into volatile capital market.

May 16, 2024 (Week: May 12, 2024 – May 16, 2024)

Dhaka Stock Exchange

DSEX ended in Red (-2.54%) in the week

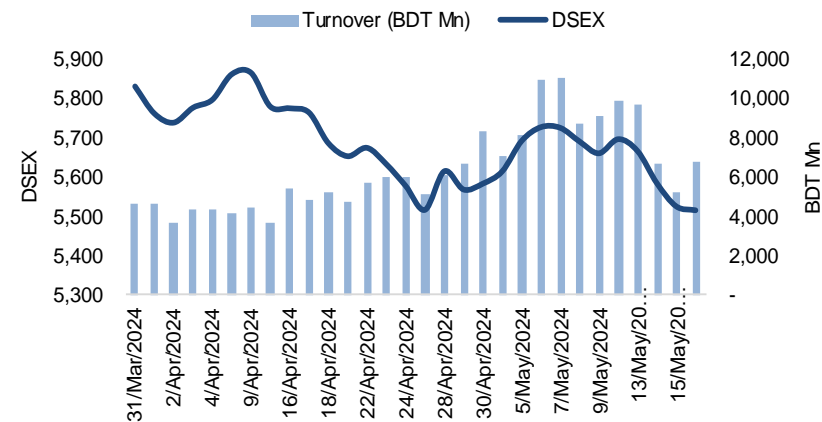
Table 1: Index

Index	Closing*	Opening*	Δ(Pts)	28-Dec-2023	Δ% Week	Δ% YTD
DSEX	5,517.42	5,661.05	-143.63	6,246.50	-2.54%	-11.67%
DS30	1,973.99	2,015.24	-41.24	2,093.83	-2.05%	-5.72%
DSES	1,212.16	1,242.57	-30.41	1,364.13	-2.45%	-11.14%
CDSET	1,036.53	1,066.72	-30.19	1,202.82	-2.83%	-13.83%

Table 2: Market Statistics

		This Week	Last Week	% Change
Mcap	Mn BDT	7,018,246	7,070,261	-0.7%
	Mn USD	59,716	60,158	
Turnover	Mn BDT	38,214	48,027	-20.4%
	Mn USD	325	409	
Average Daily Turnover	Mn BDT	7,643	9,605	-20.4%
	Mn USD	65	82	
Volume	Mn Shares	1,117	1,530	-27.0%

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
RELIANCE1	19.9	15.7	+26.8%	1,204	178.8	NM	18x
LEGACYFOOT	78.3	64.6	+21.2%	3,373	298.5	NM	7.1x
SONALILIFE	92.1	78.1	+17.9%	4,375	242.1	NM	NM
NATLIFEINS	116.7	99.4	+17.4%	12,665	62.9	NM	NM
EGEN	516	44.4	+16.2%	3,870	1,468.0	35.1x	2.2x
ICB	63.9	55.3	+15.6%	55,418	58.1	NM	13x
UNILEVERCL	2,147.2	1,863.1	+15.2%	41,386	119.5	47.9x	16.0x
GHAIL	16.8	14.7	+14.3%	3,626	310.6	NM	13x
MONNOCERA	88.4	78.4	+12.8%	3,335	92.8	26.0x	1.1x
KBPPWBIL	2016	179.6	+12.2%	19,773	164.6	NM	17.0x

Table 4: Top Ten Losers

Company Name	Close*	Open*	Δ%	Mcap**	Turnover**	PE	PB
IPDC	22.6	26.0	-13.1%	8,806	20.8	25.4x	12x
MERCANBANK	10.0	11.5	-13.0%	11,066	10.0	5.1x	0.4x
BDTHAI	20.1	22.7	-11.5%	2,568	184.8	NM	0.7x
SPCERAMICS	36.9	41.4	-10.9%	5,423	373.2	NM	12x
SONALIPAPR	382.5	429.0	-10.8%	12,602	111.8	NM	2.2x
SONALIANSH	600.2	672.2	-10.7%	3,255	507.8	35.0x	4.5x
BEACONPHAR	162.5	181.8	-10.6%	37,538	327.8	83.3x	6.1x
HAMI	127.5	142.5	-10.5%	982	9.4	NM	614x
RAHIMAFood	118.2	131.6	-10.2%	2,364	35.8	NM	117x
EMERALDOIL	45.3	50.4	-10.1%	4,135	237.9	35.0x	NM

Table 5: Top Ten Most Traded Shares

Company Name	Close*	Open*	Δ%	Mcap**	Turnover**	PE	PB
EGEN	516	44.4	+16.2%	3,870	1,468.0	35.1x	2.2x
ASIATICLAB	71.1	72.0	-1.3%	8,702	1,368.6	NM	1.4x
NAVANAPHAR	110.7	103.3	+7.2%	11,891	1,166.8	28.3x	2.6x
BESTHLDNG	36.6	39.1	-6.4%	38,768	1,143.8	28.2x	0.6x
LOVELLO	88.9	96.3	-7.7%	7,557	1,017.2	64.4x	6.7x
ORIONINFU	634.1	624.9	+1.5%	12,910	995.4	NM	42.5x
GOLDENSON	23.8	24.9	-4.4%	4,087	904.4	NM	1.3x
FEKDIL	20.7	20.5	+1.0%	4,528	814.7	13.3x	1.0x
ADVENT	29.2	30.2	-3.3%	2,719	807.8	29.5x	1.8x
MALEKSPIN	36.4	39.9	-8.8%	7,047	750.6	6.3x	0.7x

Table 6: Most Appreciated YTD in BRAC EPL Universe

Company Name	Close*	YTD %Δ	Mcap**	PE	PB
EGEN	516	+14.2%	3,870	35.1x	2.2x
POWERGRID	44.4	+8.6%	40,573	NM	0.3x
BRACBANK	38.4	+7.3%	61,779	6.9x	0.9x
UNILEVERCL	2,147.2	+6.3%	41,386	47.9x	16.0x
SHAHJABANK	18.7	+2.2%	20,813	5.6x	0.8x
JAMUNAOIL	171.5	+1.8%	18,938	4.7x	0.8x
BSRMLTD	90.0	-	26,873	4.6x	0.6x
MPETROLEUM	198.6	-	21,492	4.6x	0.9x
ISLAMIBANK	32.6	-	52,486	8.3x	0.7x
KPCL	26.6	-	10,571	80.6x	1.5x

Table 7: Sector Indices

Sector Name	Week Close*	Week Open*	Year Open*	Δ% Week	Δ% YTD
Bank	1,344.2	1,398.2	1,455.32	-3.86%	-7.64%
NBFI	1,242.2	1,211.1	1,902.52	+2.57%	-34.71%
Mutual Fund	708.7	708.3	876.90	+0.05%	-19.18%
General Insurance	3,233.5	3,221.3	3,489.09	+0.38%	-7.33%
Life Insurance	2,210.8	2,048.2	2,637.78	+7.94%	-16.19%
Telecommunication	3,932.7	4,069.2	4,945.60	-3.35%	-20.48%
Pharmaceutical	3,202.6	3,317.4	3,732.58	-3.46%	-14.20%
Fuel & Power	1,237.8	1,247.6	1,691.80	-0.78%	-26.84%
Cement	2,280.3	2,385.6	2,523.22	-4.42%	-9.63%
Services & Real Estate	1,687.4	1,770.5	1,518.57	-4.70%	+11.12%
Engineering	2,987.1	3,087.3	4,520.40	-3.24%	-33.92%
Food & Allied	16,415.1	16,964.0	21,180.76	-3.24%	-22.50%
IT	2,767.6	2,864.2	2,894.80	-3.38%	-4.40%
Textile	1,320.2	1,368.8	1,658.23	-3.55%	-20.39%
Paper & Printing	7,556.3	8,070.2	10,093.63	-6.37%	-25.14%
Tannery	2,521.2	2,554.7	3,103.94	-1.31%	-18.77%
Jute	17,507.7	19,326.3	17,683.51	-9.41%	-0.99%
Ceramics	545.5	563.0	694.56	-3.10%	-21.46%
Miscellaneous	4,371.1	4,381.5	4,265.32	-0.24%	+2.48%

Table 8: Sector Trading Matrix

Sector Name	Daily average this Week	Daily average last Week	% Change	% of Total Turnover	PE	PB
Bank	359.3	568.7	-36.83%	+4.95%	7.4x	0.6x
NBFI	59.5	119.9	-50.36%	+0.82%	NM	NM
Mutual Fund	247.5	196.8	+25.75%	+3.41%	NM	0.6x
General Insurance	314.5	231.9	+35.63%	+4.34%	16.8x	1.4x
Life Insurance	356.7	240.1	+48.51%	+4.92%	NM	NM
Telecommunication	45.4	99.7	-54.49%	+0.63%	10.3x	2.8x
Pharmaceutical	1,640.8	2,074.3	-20.90%	+22.63%	16.5x	1.8x
Fuel & Power	153.5	175.4	-12.44%	+2.12%	21.3x	0.7x
Cement	75.9	80.4	-5.53%	+1.05%	15.8x	2.2x
Services & Real Estate	432.5	621.9	-30.45%	+5.96%	29.2x	0.7x
Engineering	663.1	991.2	-33.10%	+9.14%	14.4x	1.1x
Food & Allied	673.7	778.7	-13.49%	+9.29%	16.0x	5.1x
IT	586.3	546.3	+7.33%	+8.09%	30.0x	2.4x
Textile	923.7	1,298.7	-28.88%	+12.74%	NM	0.9x
Paper & Printing	73.2	71.0	+3.09%	+1.01%	53.5x	1.7x
Tannery	134.1	162.8	-17.63%	+1.85%	39.7x	2.6x
Jute	102.3	117.1	-12.61%	+1.41%	NM	NM
Ceramics	195.3	269.1	-27.40%	+2.69%	46.6x	1.5x
Miscellaneous	214.1	246.4	-13.09%	+2.95%	40.2x	1.8x

Table 9: Least Appreciated YTD in BRAC EPL Universe

Company Name	Close*	YTD %Δ	Mcap**	PE	PB
IPDC	22.6	-58.8%	8,806	25.4x	12x
DOREENPWR	29.2	-52.1%	5,289	7.3x	0.6x
BSCCL	119.0	-45.6%	19,624	10.1x	1.3x
UPGDCL	127.5	-45.4%	73,911	9.9x	2.2x
ACI	142.0	-45.4%	10,821	NM	1.4x
TITASGAS	22.5	-45.0%	22,257	NM	0.3x
RUNNERAUTO	26.7	-44.8%	3,032	NM	0.5x
WALTONHIL	580.1	-44.6%	175,729	13.6x	1.6x
RENATA	699.5	-42.6%	80,230	35.0x	2.5x
BBSABLES	29.7	-40.5%	6,288	NM	0.9x

Important News: Business, Economy & Sector

Rooppur, Matarbari and metro projects to get highest ADP allocation

- The government is set to increase budget allocation for quick completion of the Rooppur nuclear and Matarbari coal-fired power plant projects. Planning ministry officials say the aforesaid projects may get BDT 340.43 Bn, which is 12.84% of the ADP.

<https://www.thedailystar.net/news/bangladesh/news/rooppur-matarbari-and-metro-projects-get-highest>

TECH | SBK Tech Ventures invests USD 7.1 Mn in six local startups

- SBK Tech Ventures has unveiled the six local startups that recently received USD 7.1 Mn, equivalent to BDT 850 Mn, from Bangladesh's only woman-led venture capital firm.

<https://www.tbsnews.net/economy/stocks/sbk-tech-ventures-invests-71m-six-local-startups-851346>

TRADE | Draft of Export Policy 2024-2027 approved eyeing USD 110 Bn export target in FY27

- The Cabinet Committee on Economic Affairs (CCEA) today (15 May) approved the draft of the Export Policy 2024-2027 eyeing a USD 110 Bn export target in FY27.

<https://www.tbsnews.net/bangladesh/draft-export-policy-2024-2027-approved-eyeing-110b-export6>

BANK | Bangladesh expands offshore banking in hunt for forex

- Offshore banking is increasingly becoming a key window for banks in Bangladesh to facilitate investments and international trade by attracting deposits in foreign currencies.

<https://www.thedailystar.net/business/news/bangladesh-expands-offshore-banking-hunt-forex-3610946>

BANK | Cenbank refuses to raise single borrower exposure limit

- The Bangladesh Bank rejected the demand made by businessmen, who borrowed money from banks, to raise the single borrower exposure limit in a circular issued today (15 May).

<https://www.tbsnews.net/economy/banking/cenbank-refuses-raise-single-borrower-exposure-limit>

BANK | Islamic banks lose BDT 84.96 Bn deposits in a month

- Total deposits in Islamic banks and the Islamic banking branches of conventional banks reduced by BDT 84.95 Bn or 2% from December to hit BDT 4139.69 Bn in January, Bangladesh Bank data showed.

<https://www.thedailystar.net/business/news/islamic-banks-lose-tk-8496-crore-deposits-month-3610896>

TRADE | EPZ investors may lose duty-free benefits for machinery, vehicles imports

- The National Board of Revenue (NBR) is considering levying duties on the imports of capital machinery, vehicles, and furniture by investors in Export Processing Zones (EPZs) and hi-tech parks who have been enjoying duty-free benefits for decades.

<https://www.tbsnews.net/nbr/epz-investors-may-lose-duty-free-benefits-machinery-vehicles-imports-852311>

Tax burden may rise as govt to trim exemptions

- Mobile phone calls and metro rail commutes among other daily activities may cost more in the next fiscal year as the government looks to increase taxes to boost its revenue collections.

<https://www.thedailystar.net/news/bangladesh/news/tax-burden-may-rise-govt-trim-exemptions-3610361>

Mitigating deficit: Govt targets external financing of BDT 1.20 Tn, BDT 1.30 Tn over next two fiscals

- As fiscal deficits loom, with projections showing a deficit of BDT 2.792 Tn for FY25 and BDT 3.170 Tn for FY26-equating to 5.0% of GDP each year-the government underscores the need for strategic domestic borrowing.

<https://thefinancialexpress.com.bd/economy/bangladesh/mitigating-deficit-govt-targets-external-financing-of-tk-120t-tk-130t-over-next-two-fiscals>

Green Climate Fund increasing debt burden on Bangladesh by providing more loans than grants: TIB

- The Green Climate Fund (GCF) is increasing a debt burden on vulnerable countries, including Bangladesh, with its profit-oriented approach by providing more loans than grants, the Transparency International Bangladesh said today (14 May).

<https://www.tbsnews.net/bangladesh/environment/green-climate-fund-increasing-debt-burden-bangladesh-providing-more-loans>

BANK | Govt's bank borrowing gets costlier as Treasury bill, bond rates hiked

- The government's borrowing from the banking system has become even more expensive following an increase in the policy rate – the benchmark rate at which banks borrow from the central bank.

<https://www.tbsnews.net/economy/govts-bank-borrowing-gets-costlier-treasury-bill-bond-rates-hiked>

STEEL | Steel prices set to rise in Bangladesh: analysts

- Globally steel raw material prices are stable now, but Bangladesh will have to spend higher for its import because of the US dollar rate hike since the introduction of the crawling peg system, analysts said today.

<https://www.thedailystar.net/business/news/steel-prices-set-rise-bangladesh-analysts-3609901>

RMG | BGMEA seeks policy revisions for industry's growth

- Apparel sector leaders on Monday demanded withdrawal of a central bank's circular regarding gas connections to industries located outside the economic zones, and the continuation of cash incentives until 2026.

<https://today.thefinancialexpress.com.bd/trade-market/bgmea-seeks-policy-revisions-for-industrys-growth-1715622122>

Inflation eases but stays above 9% in April

- Inflation in Bangladesh fell seven basis points to 9.7% in April from a month ago on the back of declining prices of non-food items. The Consumer Price Index (CPI) grew 9.81% in March, data from the Bangladesh Bureau of Statistics (BBS) showed today.

<https://www.thedailystar.net/business/news/inflation-eases-stays-above-9-april-3608906>

Make budget tight, control inflation

- Prime Minister Sheikh Hasina yesterday directed the finance ministry to formulate a contractionary budget for the upcoming fiscal year to control inflation.

<https://www.thedailystar.net/business/news/make-budget-tight-control-inflation-3609431>

Govt targets BDT 4.8 Tn tax haul in FY25

- The government is likely to set a BDT 4.80 Tn tax-revenue-collection target for the National Board of Revenue in the next fiscal year, according to sources, which will be a 17.07% increase over the revised target of BDT 4.10 Tn for the current FY.

<https://thefinancialexpress.com.bd/economy/govt-targets-tk-48-trillion-tax-haul-in-fy25>

Backlog of export receivables upsets BoP

- Bangladesh barely gains from growing current-account surpluses in the balance of payments (BoP) as bloating deficit in trade credits in financial account erodes the positive outcomes through LC contractions.

<https://thefinancialexpress.com.bd/economy/backlog-of-export-receivables-upsets-bop>

Health, education face spending cuts again

- The education and health sectors are set to get less Annual Development Plan allocation than prescribed in the eighth five-year plan. This is a continuation of the downward trend seen over the last four years.

<https://www.thedailystar.net/business/news/health-education-face-spending-cuts-again-3609181>

Pressure mounts as currency outflow intensifies

- The pressure on the external sector of Bangladesh has intensified as the financial account deficit widened owing to higher outflows of international currencies compared to inflows.

<https://www.thedailystar.net/business/economy/news/pressure-mounts-currency-outflow-intensifies-3609151>

ENERGY | Listed state fuel oil firms record robust profits, others struggle

- The state-owned fuel oil firms, listed on the capital market and enjoying business monopolies, recorded robust profits in the July-March period of the current fiscal year, while those in competitive sectors grappled with challenges.

<https://www.tbsnews.net/economy/stocks/listed-state-fuel-oil-firms-records-robust-profits-others-struggle-850336>

TRADE | Govt to impose tariffs on raw jute exports

- The government is taking steps to address the issue of cheap raw-jute exports to India, which has been putting negative impacts on the country's jute industry.

<https://thefinancialexpress.com.bd/trade/govt-to-impose-tariffs-on-raw-jute-exports>

TELECOM | BTRC to seek BDT 8.718 Mn dues from Software Shop

- The Bangladesh Telecommunication Regulatory Commission (BTRC) has decided to seek dues totaling BDT 8.718 Mn from Software Shop and impose a fine of BDT 0.2 Mn on the company for violating different rules.

<https://www.thedailystar.net/business/news/btrc-seek-tk-8718-lakh-dues-software-shop-3609141>

BANK | State banks' bad loans defy BB roadmap, jumps to 27% in a year

- Although the Bangladesh Bank formulated a roadmap to reduce defaulted loans of state-owned banks to 10% of total disbursement by 2026 in line with the International Monetary Fund (IMF) conditions set in January 2023, it increased to 27.42% within a year.

<https://www.tbsnews.net/economy/banking/state-banks-bad-loans-defy-bb-roadmap-jumps-27-year>

Crawling peg unlikely to inflate prices of imported goods: Bankers, businesses

- The crawling peg system, which is poised to drive up the official dollar rate, is unlikely to inflate the prices of imported products as the real exchange rate has been aligned with current market rates, argued bankers and businesses.

<https://www.tbsnews.net/economy/crawling-peg-unlikely-inflate-prices-imported-goods-bankers-businesses-848761>

NBR may take host of measures to boost collection

- The National Board of Revenue (NBR) plans to take a host of measures to augment tax collection in fiscal 2024-25 and meet an increased portion of public expenditure through taxes, finance ministry officials said yesterday.

<https://www.thedailystar.net/business/economy/news/nbr-may-take-host-measures-boost-collection>

NBR plans to come out of zero-duty facility

- The National Board of Revenue (NBR) is considering coming out of the zero-duty facility on imports and imposing a minimum of 1% customs duty from the next fiscal year.

<https://www.tbsnews.net/nbr/nbr-plans-come-out-zero-duty-facility-849531>

Poverty reduction rates arithmetically correct. Do they reflect reality?

- Bangladesh is doing better than many countries in reducing poverty. However, questions remain whether the data about poverty alleviation match reality, according to Prof Joe Devine, an expert on poverty, inequality, and vulnerability.

<https://www.thedailystar.net/business/news/poverty-reduction-rates-arithmetically-correct-do-they-reflect-reality-3608081>

Kerb market can charge BDT 1 above bank dollar selling rate

- Money changers can charge a maximum of BDT 1 per dollar on top of the selling rate at banks, it was learnt after a meeting at the Bangladesh Bank today (12 May).

<https://www.tbsnews.net/economy/banking/cenbank-now-sets-kerb-market-dollar-rate-849346>

Reserves to dip further as USD 1.6 Bn ACU payment due today

- Bangladesh's foreign exchange reserves are set to decline to USD 18 Bn today (13 May) following the settlement of import bills totaling USD 1.6 Bn for the March-April period with the Asian Clearing Union (ACU), according to Bangladesh Bank sources.

<https://www.tbsnews.net/economy/reserves-dip-further-16b-acu-payment-due-tomorrow-849521>

BANK | Sonali Bank, BDBL sign MoU for merger

- State-owned Sonali Bank and the Bangladesh Development Bank Ltd (BDBL) on Sunday (12 May) signed a memorandum of understanding (MoU) to merge at the Bangladesh Bank head office.

<https://www.tbsnews.net/economy/banking/sonali-bank-and-bdbl-sign-mou-merger-849051>

BANK | Use alternative dispute resolution to reduce NPLs

- The Bangladesh Bank (BB) yesterday asked banks to adopt alternative dispute resolution (ADR) to reduce their non-performing loans (NPLs).

<https://www.thedailystar.net/business/economy/news/use-alternative-dispute-resolution-reduce-npls>

Bangladesh economy showing resilience

- Bangladesh economy shows resilience in the face of inflationary pressures and uncertainties stemming from ongoing geopolitical conflicts, according to the Purchasing Managers' Index (PMI), the first-ever data from the index launched early this year.

<https://www.thedailystar.net/business/news/bangladesh-economy-showing-resilience-3605826>

NBR considering self-assessment only for corporate filers

- The National Board of Revenue (NBR) is considering a move to a 'self-assessment' only system for corporate tax returns, where companies would declare their own assets and income from the next fiscal year. Under this system, taxmen would not instantly scrutinize the declared information at the time of filing.

<https://today.thefinancialexpress.com.bd/first-page/nbr-considering-self-assessment-only-for-corporate-filers-1715446918>

Rural food inflation hit 15% in Dec: study

- Food inflation remained at around 15% in rural areas in December last year, which was much higher than the overall inflation rate in Bangladesh.

<https://www.thedailystar.net/business/economy/news/rural-food-inflation-hit-15-dec-study-3606161>

Gas, power tariffs poised for frequent hike

- The exchange rate of the US currency has been pegged higher through the introduction of crawling-peg exchange rate by Bangladesh Bank (BB), under a reform recipe. The central bank on May 8 fixed the crawling-peg rate allowing the country's commercial banks to buy and sell the greenback freely near BDT 117 apiece.

<https://today.thefinancialexpress.com.bd/first-page/gas-power-tariffs-poised-for-frequent-hike>

Forex reserves decline by USD 133 Mn in a week

- Bangladesh's foreign currency reserves declined by USD 133 Mn to USD 19.83 Bn on May 8 in the span of a week, central bank data showed. The reserves stood at USD 19.96 Bn on April 30. The forex figure is based on the balance of payments and investment position manual (BPM6) of the International Monetary Fund (IMF).

<https://www.thedailystar.net/business/news/forex-reserves-decline-133-million-week-3605956>

Reserve money shrinks to BDT 3.3 Tn as 'devolvement' printing halted

- A squeeze in the splurge of money on flow is tangible as the stock with Bangladesh Bank stayed on the wane, amounting to BDT 3.3 Tn as of mid- March, following a pause in printing 'high-powered' money. Also called "reserve money", a key instrument in the hand of the central bank to play when needed, declined 11.86% as of March 14 last from June 2023.

<https://today.thefinancialexpress.com.bd/first-page/reserve-money-shrinks-to-tk-33t-as-devolvement-printing-halted-1715446994>

Private sector's short-term foreign debt drops

- The private sector's short-term foreign debt has gradually declined over the past three months up until March this year as a high rate of interest is discouraging borrowers from taking such loans from abroad. The debt stood at USD11.04 Bn in March, USD 11.07 Bn in February and USD 11.25 Bn in January, according to Bangladesh Bank.

<https://www.thedailystar.net/business/economy/news/private-sectors-short-term-foreign-debt-drops-3607631>

BANK | Banks' profits swell on interest, T-bond income

- Thirty-six banks are listed on local stock exchanges, and 23 of them have disclosed their financial results for January-March this year, with 17 posting profit growth while six witnessed a decline.

<https://www.tbsnews.net/economy/banking/banks-profits-swell-interest-t-bond-income-848596>

Important News: Capital Market

EBL | Eastern Bank profit jumps 35% in Jan-Mar

- The Eastern Bank reported that its consolidated profit jumped by 35% in January-March of this year compared to the previous year in the same quarter. The bank stated in the financial statement filing on the Dhaka bourse that its consolidated earnings per share was BDT 1.20 during the quarter, which was BDT 0.89 a year ago.

<https://www.tbsnews.net/economy/stocks/eastern-bank-profit-jumps-35-jan-mar-851461>

CITYBANK | City Bank's profit grows marginally in first quarter

- City Bank registered a 2.7% year-on-year growth in profit to BDT 924.4 Mn in January-March of 2024. The profit was BDT 893.7 Mn in last year's identical quarter.

<https://www.thedailystar.net/business/news/city-banks-profit-grows-marginally-first-quarter-3610881>

NCCBANK | NCC Bank profit drops 78% in Jan-Mar

- The NCC Bank's profit dropped by 78% in the January-March of this year compared to the previous year in the same quarter. According to the statement of the bank filing on the Dhaka bourse, its consolidated earnings per share was BDT 0.15 during the first quarter, which was BDT 0.67 a year ago.

<https://www.tbsnews.net/economy/stocks/ncc-bank-profit-drops-78-jan-mar-851626>

EXCHANGE | Rules for margin loans: Regulator, lenders consider reforms

- The securities regulator and market operators have put their heads together to change rules for margin loans to stem a further rise of negative equity.

<https://thefinancialexpress.com.bd/stock/bangladesh/rules-for-margin-loans-regulator-lenders-consider>

BATASHOE | Bata Shoe's profit grows 35% in Jan-Mar

- Bata Shoe Company Bangladesh reported a 35% increase in profit for the January-March quarter this year compared to the same period last year.

<https://www.tbsnews.net/economy/stocks/bata-shoes-profit-grows-35-jan-mar-851301>

UNILEVERCL | Unilever Consumer Care declares 300% cash dividends

- Unilever Consumer Care has announced a 300% cash dividend on ordinary shares for the calendar year 2023 ended on 31 December.

<https://www.tbsnews.net/economy/stocks/unilever-consumer-care-declares-300-cash-dividends-851156>

BRACBANK | BRAC Bank to get USD 50 Mn loan from British International Investment

- BRAC Bank signed an agreement with British International Investment (BII), a development finance institution (DFI), which the latter will provide a loan of USD 50 Mn to the former.

<https://www.thedailystar.net/business/news/brac-bank-get-50-million-loan-british-international>

GREENDELTA | Green Delta logs BDT 80 Mn profit in Q1

- Green Delta Insurance Ltd reported a profit of BDT 80 Mn in the first quarter of 2024, an increase of 8% year-on-year. The insurer booked a profit of BDT 74 Mn in the corresponding period of 2023.

<https://www.thedailystar.net/business/news/green-delta-logs-tk-8-crore-profit-q1-3609731>

BANKASIA | Bank Asia's first-quarter profit down 41% due to higher provisions

- Bank Asia PLC's profit plunged 41% year-on-year to BDT 778.8 Mn in the first quarter of 2024. The private commercial bank logged a profit of BDT 1,329 Mn in the January-March quarter of 2023.

<https://www.thedailystar.net/business/news/bank-asias-first-quarter-profit-down-41-due-higher>

BATBC | BAT earnings fall over 9% in Q1 as inflation squeezes demand

- Despite being efficient in management, British American Tobacco Bangladesh Company (BATBC) experienced a 9.41% year-on-year decline in profit in the first quarter through March this year due to lower revenue.

<https://thefinancialexpress.com.bd/stock/bangladesh/bat-earnings-fall-over-9pc-in-q1-as-inflation-squeezes-demand>

IDLC | IDLC Finance's profit surges 2% in Jan-Mar

- The country's leading non-bank financial institution IDLC Finance reported that its profit rose over 2% in the January-March quarter of this year. its consolidated earnings per share was BDT 0.85, higher from BDT 0.83 at the same time a year ago.

<https://www.tbsnews.net/economy/stocks/idlc-finances-profit-surges-2-jan-mar-849661>

LOVELLO | Lovello Ice-cream skyrockets in 3.5 months

- Taufika Foods and Lovello Ice-cream has been witnessing an unabated price hike over the last three and a half months. Since the end of January, the share price jumped 236%.

<https://today.thefinancialexpress.com.bd/stock-corporate/lovello-ice-cream-skyrockets-in-35-months>

BEACONPHAR | Beacon pharma incurs loss in Jan-Mar

- Beacon Pharmaceuticals reported that it incurred a loss in the January-March quarter of the current fiscal year

<https://www.tbsnews.net/economy/stocks/beacon-pharma-incurs-loss-jan-mar-849666>

LHBL | LafargeHolcim's profit drops for first time since 2022's Q1

- The listed multinational cement producer's turnover fell 3% year-on-year to BDT 8.25 Bn in the January-March quarter of 2024 when the profits slipped 15% to BDT 1.62 Bn,

<https://www.thedailystar.net/business/news/lafargeholcims-profit-drops-first-time-2022s-q1-3609046>

SBACBANK | SBAC Bank's profit up 41% in first quarter

- SBAC Bank PLC's profit surged 41% year-on-year to BDT 197.8 Mn in the first quarter of 2024. The profit was BDT 140.1 Mn in the identical period of 2023.

<https://www.thedailystar.net/business/news/sbac-banks-profit-41-first-quarter-3608096>

RENATA | Renata ships first drug registered in Australia

- Renata has shipped the initial consignment of Levonorgestrel 1.5 mg, which is the first registered product of the leading Bangladeshi pharma company in Australia.

<https://www.thedailystar.net/business/news/renata-ships-first-drug-registered-australia-3608206>

RNSPIN, FARCHEM | RN Spinning, FAR Chemical revive after mergers

- RN Spinning and FAR Chemical – both listed on local stock exchanges and owned by FAR Group – have managed to eke out profits after years of losses.

<https://www.tbsnews.net/economy/stocks/rn-spinning-far-chemical-revive-after-mergers-849466>

EXCHANGE | Re-labelling of stocks: Regulator to put emphasis on financial strength

- The regulator considers dividing listed securities into two categories -- one for non-performing stocks and the other for the remaining securities

<https://thefinancialexpress.com.bd/stock/bangladesh/re-labelling-of-stocks-regulator-to-put-emphasis-on-financial-strength>

SOUTHEASTB | Southeast Bank's profit declines 36% in first quarter

- Southeast Bank made a profit of BDT 921.5 Mn in the first quarter of 2024. The private commercial lender reported a profit of BDT 1,470 Mn in the identical period last year.

<https://www.thedailystar.net/business/news/southeast-banks-profit-declines-36-first-quarter-3607356>

ICB | ICB set to get at least BDT 30 Bn to inject into volatile capital market

- The Investment Corporation of Bangladesh (ICB) – a state-owned entity primarily tasked with stock investments – is set to receive a fund infusion ranging from BDT 30 Bn to BDT 50 Bn from the government.

<https://www.tbsnews.net/economy/stocks/icb-set-get-least-tk3000cr-inject-volatile-capital-market-847376>

LRBDL | Lub-rref seeks approval to utilise BDT 560 Mn IPO funds as working capital

- In 2021, the company successfully raised BDT 1.5 Bn from the capital market to purchase machinery and repay existing loans. From there, the company is yet to utilise BDT 560 Mn designated for the purchase of machinery.

<https://www.tbsnews.net/economy/stocks/lub-rref-seeks-approval-utilise-tk56cr-ipo-funds-working-capital-847231>

ALPHATOBA | Regulator to look into records of 5 decade old Alpha Tobacco

- The inquiry committee consisting of three members of the Dhaka Stock Exchange (DSE), will prepare a report on the local tobacco manufacturer analysing its book of accounts, liabilities and allied issues from 2002 to 2023.

<https://www.tbsnews.net/economy/stocks/regulator-look-records-5-decade-old-alpha-tobacco-849541>

EXCHANGE | DSE, DBA applaud PM's directive to list govt cos in capital market

- The Dhaka Stock Exchange (DSE) and the DSE Brokers Association (DBA) have congratulated and thanked Prime Minister Sheikh Hasina for directing government companies to be listed in the capital market.

<https://www.tbsnews.net/economy/stocks/dse-dba-applaud-pms-directive-list-govt-cos-capital-market-848611>

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