

## Capital Market Overview

The market closed in red this week. The benchmark index DSEX (-0.42%) lost -30.43 points and closed the week at 7,228.31 points. The blue-chip index DS30 (+1.04%) gained 27.41 points and stood at 2,674.55 points. The Shariah-based index DSES (-0.96%) lost -15.21 points and stood at 1,577.10 points. The large cap index CDSET (+0.67%) gained 9.62 points and closed at 1,441.24 points. DSEX, DS30, DSES and CDSET showed YTD returns of +33.81%, +36.18%, +26.97%, +28.33%, respectively.

**Total Turnover During The Week (DSE):** BDT 112.2 billion (USD 1,305 million)

**Average Daily Turnover Value (ADTV):** BDT 22.2 billion (Δ% Week: -19.9%)

Market P/E: 20.0x

## Daily Index Movement during the Week:

Market performed five sessions during this week. The market started negatively with -0.78% down on Sunday followed by +0.22% up on Monday, and then negative again with -1.07% down on Tuesday. The market performed positively rest two sessions (Wednesday and Thursday) with +0.78% and +0.44% respectively.

## Sectoral Performance:

• All the financial sectors registered negative performance this week. General Insurance experienced the highest loss of -3.56% followed by Mutual Fund (-1.43%), Bank (-0.72%), NBFi (-0.47%), and Life Insurance (+4.94%).

• All the non-financial sectors registered negative performance this week. Engineering experienced the highest loss of 12.03% followed by Fuel & Power (-2.24%), Food & Allied (-1.23%), Telecommunication (-1.15%), and Pharmaceutical (-0.63%).

## Macroeconomic arena:

• Bangladesh will host trade and investment summit in Oct26-Nov1. There is also an agreement going on between Australia and Bangladesh named TIFA to boost trade and fuel private sector investment. Furthermore, Bangladesh Government seeks 12-year duty-free access to EU.

• Industrial policy on cards will increase GDP contribution. NBR has extended warehouse facility for exporters. Bangladesh exports USD 1.94 billion more in RMG products than Vietnam and Canadian buyers urged to source more BD garments. NBR to probe 'misuse' of cash incentive on exports.

• Banking sector dominates highest taxpayers' list. BB governor deplores lax governance in financial sector and sets target for banks to disburse CSMSE loans. NBFIs can reschedule loans just 3 times. Also, bKash launches integrate transaction service with community Bank.

• BGMEA president urges US to pay fair prices for apparel products and BGMEA chief call on AAFA to promote Bangladesh's business interests in US market.

## Stock Market arena:

• Sandoff between Central Bank, stock market regulator gets a new twist. Then BSEC declares that A general investor can apply for IPO shares worth BDT 10,000. They also ordered to carry out special audit into Safto Spinning. On the other hand, DSE asked to probe share price surge of 4 cos after main board return.

• BD acquires 1.0% stake of NDB, and BB blocks use of banks' unclaimed dividend. Additionally, Beximco Pharma signs SPA to acquire Sanofi shares. On the other hand, ICB, Berger, Walton bleed on share offload order. Furthermore, Khan Brothers PP plastic bags business surviving on local sales.

• Dhaka insurance's Q2 earnings double and Sukuk gets Vat Waiver

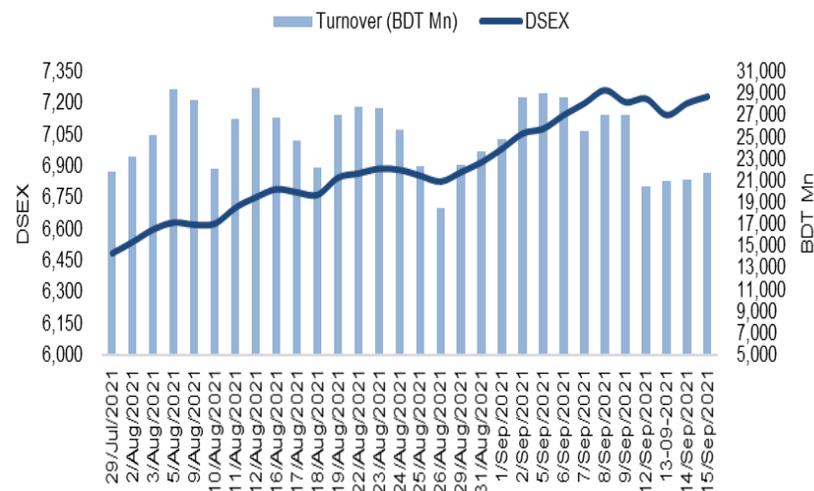
Table 1: Index

Index	Closing	Opening	Δ(Pts)	30-Dec-2019	Δ% Week	Δ%YTD
DSEX	7,228.31	7,258.75	-30.43	5,402.07	-0.42%	+33.81%
DS30	2,674.55	2,647.14	+27.41	1,963.96	+1.04%	+36.18%
DSES	1,577.10	1,592.31	-15.21	1,242.11	-0.96%	+26.97%
CDSET	1,441.24	1,431.62	+9.62	1,123.03	+0.67%	+28.33%

Table 2: Market Statistics

		This Week	Last Week	%Change
Mcap	Mn BDT	5,744,753	5,863,190	-2.0%
	Mn USD	67,427	68,817	
Turnover	Mn BDT	111,224	138,882	-19.9%
	Mn USD	1,305	1,630	
Average Daily Turnover	Mn BDT	22,245	27,776	-19.9%
	Mn USD	261	326	
Volume	Mn Shares	2,563	3,357	-23.7%

Figure 1: DSEX & Turnover in last four weeks



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**Table 3: Top Ten Gainers**

Company Name	Close	Open	Δ%	Mcap (BDT Mn)	Turnover (BDT Mn)	PE	PB
TAMIJTEX	87.4	68.4	+27.8%	10,229	1,835.6	27.0x	4.9x
LIBRAINFU	62.3	49.2	+26.6%	2,757	907.7	34.2x	3.0x
PHARMAID	76.3	64.2	+18.8%	11,811	438.7	63.5x	5.6x
EASTRN LUB	169.8	145.6	+16.6%	21,013	1,603.6	NM	NM
AMCL(PRAN)	281.9	242.0	+16.5%	2,124	206.3	NM	14.7x
APEXFOOT	135.2	116.9	+15.7%	118,478	5,898.5	32.6x	1.8x
BATASHOE	2,674.6	2,316.2	+15.5%	2,659	271.5	72.7x	12.5x
DSHGARME	42.0	36.4	+15.4%	2,508	236.5	NM	2.7x
ENVOYTEX	46.0	40.3	+14.1%	17,070	1,607.4	21.6x	2.9x
BSCCL	103.0	91.1	+13.1%	1,944	251.7	NM	2.0x

**Table 4: Top Ten Losers**

Company Name	Close	Open	Δ%	Mcap (BDT Mn)	Turnover (BDT Mn)	PE	PB
MEGCONMILK	1,206.4	1,447.4	-16.7%	365,453	945.1	22.3x	3.9x
MEGHNA PET	26.3	31.3	-16.0%	789	195.0	NM	1.6x
METROSPIN	26.2	31.0	-15.5%	3,047	371.9	26.2x	1.5x
SEMLFBSLGF	130.4	150.9	-13.6%	5,770	178.3	36.1x	6.3x
SEMLFBSLGF	8.4	9.7	-13.4%	9,445	498.5	NM	0.7x
SBACBANK	22.9	25.8	-11.2%	1,314	146.9	10.4x	1.8x
ATCSLGF	266.9	299.9	-11.0%	372	13.9	NM	121.9x
IMAMBUTTON	64.0	71.9	-11.0%	484	7.2	NM	NM
ASIAINS	116.8	129.7	-9.9%	5,035	90.0	33.4x	2.4x
SEMLLECMF	17.6	19.5	-9.7%	2,108	128.8	NM	2.6x

**Table 5: Top Ten Most Traded Shares**

Company Name	Close	Open	Δ%	Mcap (BDT Mn)	Turnover (BDT Mn)	PE	PB
BEXIMCO	135.2	116.9	+15.7%	118,478	5,899	32.6x	1.8x
BATBC	44.0	41.0	+7.3%	23,709	3,754	18.5x	2.4x
SQURPHARMA	236.1	224.1	+5.4%	105,327	3,363	23.1x	3.0x
BXPBARMA	35.5	33.8	+5.0%	12,704	2,038	44.3x	2.2x
SAIFPOWER	656.2	658.8	-0.4%	354,348	2,004	26.2x	9.5x
LHBL	76.8	79.4	-3.3%	89,193	1,890	24.4x	4.9x
BSCCL	244.4	248.1	-1.5%	216,649	1,873	14.9x	2.5x
BBSCABLES	87.4	68.4	+27.8%	10,229	1,836	27.0x	4.9x
LANKABAFIN	46.0	40.3	+14.1%	17,070	1,607	21.6x	2.9x
DOREENPWR	169.8	145.6	+16.6%	21,013	1,604	NM	NM

**Table 8: Most Appreciated YTD in BRAC EPL Universe**

Top 10 Most Appreciated Stocks	Close	Δ% YTD	Mcap (BDT Mn)	P/E	P/B
EGEN	62.8	+528.0%	4,710	48.4x	2.5x
HEIDELBCEM	360.4	+140.9%	20,364	27.9x	4.6x
PIONEERINS	131.2	+91.7%	10,100	17.2x	2.4x
MICEMENT	84.0	+81.0%	12,474	17.6x	1.7x
GPHISPAT	107.2	+78.1%	25,307	9.0x	0.9x
BSRMLTD	53.0	+77.9%	10,454	57.9x	1.4x
SQUARETEXT	43.3	+76.0%	7,263	NM	1.1x
ENVOYTEX	53.1	+73.5%	21,086	19.6x	2.9x
BSRMSTEEL	656.2	+66.7%	354,348	26.2x	9.5x
BATBC	46.0	+66.7%	17,070	21.6x	2.9x

**Table 6: Sector Indices**

Sector Name	Week Close	Week Open	Year Open	%Δ Week	%Δ YTD
Bank	1,687.73	1,699.95	1,372.63	-0.72%	+22.96%
NBFI	2,655.83	2,668.27	2,033.53	-0.47%	+30.60%
Mutual Fund	1,064.87	1,080.31	959.61	-1.43%	+10.97%
General Insurance	5,467.21	5,668.93	4,103.56	-3.56%	+33.23%
Life Insurance	3,076.61	2,931.84	2,162.58	+4.94%	+42.27%
Telecommunication	6,551.01	6,627.09	5,463.26	-1.15%	+19.91%
Pharmaceutical	4,186.33	4,212.97	3,306.03	-0.63%	+26.63%
Fuel & Power	1,994.28	2,039.94	1,618.11	-2.24%	+23.25%
Cement	2,638.87	2,734.88	1,416.18	-3.51%	+86.34%
Services & Real Estate	1,345.99	1,309.42	1,083.79	+2.79%	+24.19%
Engineering	4,982.67	5,664.11	3,959.20	-12.03%	+25.85%
Food & Allied	26,297.08	26,625.50	14,705.76	-1.23%	+78.82%
IT	3,500.32	3,519.67	2,350.28	-0.55%	+48.93%
Textile	1,646.72	1,695.31	1,087.41	-2.87%	+51.43%
Paper & Printing	7,505.59	7,591.26	5,487.56	-1.13%	+36.77%
Tannery	2,948.18	2,865.72	1,771.77	+2.88%	+66.40%
Jute	10,704.40	10,928.93	12,154.61	-2.05%	-11.93%
Ceramics	760.03	797.74	472.38	-4.73%	+60.90%
Miscellaneous	4,763.97	4,503.29	2,539.70	+5.79%	+87.58%

**Table 7: Sector Trading Matrix**

Sector Name	Daily average this Week	Daily average last week	% Change	% of Total Turnover	P/E	P/B
Bank	1,707.4	1,677.8	+1.8%	7.9%	8.7x	0.9x
NBFI	2,823.3	2,185.6	+29.2%	13.1%	22.8x	4.2x
Mutual Fund	419.2	408.4	+2.6%	1.9%	NM	1.0x
General Insurance	1,306.5	1,410.9	-7.4%	6.1%	24.1x	2.6x
Life Insurance	1,192.5	944.1	+26.3%	5.5%	NM	NM
Telecommunication	402.9	586.5	-31.3%	1.9%	19.4x	6.3x
Pharmaceutical	2,442.9	2,859.9	-14.6%	11.3%	24.9x	3.1x
Fuel & Power	1,581.9	2,438.5	-35.1%	7.3%	14.5x	1.7x
Cement	608.2	787.8	-22.8%	2.8%	21.5x	3.1x
Services & Real Estate	662.3	1,057.7	-37.4%	3.1%	NM	1.1x
Engineering	2,263.5	3,205.9	-29.4%	10.5%	22.4x	2.4x
Food & Allied	1,005.8	1,429.2	-29.6%	4.7%	34.8x	10.0x
IT	458.5	715.6	-35.9%	2.1%	37.6x	2.9x
Textile	2,180.0	3,009.1	-27.6%	10.1%	NM	1.2x
Paper & Printing	272.7	276.1	-1.2%	1.3%	58.2x	1.5x
Tannery	169.6	199.6	-15.0%	0.8%	NM	3.3x
Jute	53.6	60.0	-10.7%	0.2%	NM	18.7x
Ceramics	319.6	501.6	-36.3%	1.5%	41.3x	2.4x
Miscellaneous	1,689.2	1,908.2	-11.5%	7.8%	31.9x	2.4x

**Table 9: Least Appreciated YTD in BRAC EPL Universe**

Top 10 Least Appreciated Stocks	Close	Δ% YTD	Mcap (BDT Mn)	P/E	P/B
MTB	20.8	-5.1%	16,900	27.4x	0.9x
SHAHJABANK	22.0	+0.9%	22,640	8.2x	1.2x
MPETROLEUM	204.8	+3.4%	22,163	7.8x	1.2x
DBH	2,953.9	+5.2%	35,584	81.7x	30.2x
UNILEVERCL	203.5	+6.5%	40,688	19.6x	4.6x
OLYMPIC	85.9	+6.7%	15,227	14.1x	2.3x
KPCL	48.9	+7.9%	19,434	14.4x	2.1x
GP	1,206.4	+8.3%	365,453	22.3x	3.9x
BANKASIA	20.1	+10.4%	23,435	12.3x	0.9x
MARICO	384.5	+10.8%	519,190	14.2x	10.4x

## Important News: Business & Economy

### Bangladesh to host trade and investment summit in Oct 26-Nov 1

- Commerce ministry and the Dhaka Chamber of Commerce and Industry (DCCI) will jointly host a weeklong virtual international business summit titled 'Bangladesh Trade and Investment Summit' from October 26 to November 1.
- Prime minister Sheikh Hasina is scheduled to inaugurate the summit on October 26 as the chief guest, said a DCCI release.
- Entrepreneurs from more than 50 countries of five major regions — America, Europe, the Middle East and West Asia, Asia and Pacific and Africa — are expected to join for business-to-business (B2B) matchmaking sessions every day. They are mainly interested because Bangladesh had registered a remarkable 5.47 per cent GDP growth in FY2021.

<https://www.newagebd.net/article/149025/bangladesh-to-host-trade-and-investment-summit-in-oct-26-nov-1>

### TIFA to boost trade with Australia and fuel private sector investment

- The signing of the TIFA would boost investment and trade between the two countries. Apart from readymade garments in Bangladesh, there are several potential sectors including ICT, light engineering, plastics, and education for Australia to invest in.
- Australia has been providing duty-free and quota-free trade facilities to Bangladesh since 2003, for which Bangladesh is grateful. We hope that Australia will continue to provide trade facilities to Bangladesh even after LDC graduation in 2026 and will support the LDC Group's proposal in the WTO," added Tipu Munshi.

<https://www.tbsnews.net/economy/tifa-boost-trade-australia-and-fuel-private-sector-investment-tipu-munshi-302932>

### Govt seeks 12-year duty-free access to EU

- Commerce Minister Tipu Munshi is hopeful that the European Union will continue its trade benefit for Bangladesh for 12 years after the country's graduation from the grouping of the least-developed countries (LDCs). Apart from Bangladesh, the group of LDCs is also lobbying the EU for duty-free market access for 12 years after their graduation.

<https://www.thedailystar.net/business/economy/news/govt-seeks-12-year-duty-free-access-eu-2174651>

### Extended warehouse facility for exporters

- National Board of Revenue (NBR) has amended the relevant rules granting the exporters an extended time to avail bonded warehouse facility, as imported raw materials get stuck following external marketing slowdown.
- Officials said the board has relaxed rules for export industries across the board so that the businesses could enjoy the facility of duty-free import and warehousing of raw materials smoothly.

<https://thefinancialexpress.com.bd/economy/bangladesh/extended-warehouse-facility-for-exporters-1631587001>

### PM outlines how electricity-driven economy to emerge

- Prime Minister Sheikh Hasina has envisioned an electricity-run transport system – electric trains, buses and cars – to match the country's overall development activities. "Electricity-run metro rail will start its operation soon and electric buses will gradually be introduced in the future. We will be able to manufacture electric cars in our country and our rail system will also be shifted to electricity," the PM said while virtually inaugurating five power plants that add 779 megawatts to the national grid.

<https://www.tbsnews.net/bangladesh/energy/pm-outlines-how-electricity-driven-economy-emerge-301600>

### Industrial policy on cards to increase GDP contribution

- The government is working towards formulating the National Industrial Policy 2021, aiming to increase the industrial sector's contribution to the GDP by 5% to take it to 40%.
- According to the Bangladesh Economic Review 2020, the industrial sector's contribution to GDP is around 35%, the service sector's contribution is around 51% and the agriculture sector's contribution is around 13%.

<https://www.tbsnews.net/economy/industrial-policy-cards-increase-gdp-contribution-301594>

### School-reopening rekindles publishing industry hopes

- After months of frustration due to long Covid-induced closure of educational institutions, people involved in publishing business finally see a ray of hope as schools and colleges reopen today. The sector, one of the worst hit by Covid pandemic, is now busy publishing textbooks, syllabus and 'Sohaika' or help books, in its bid to make a comeback.
- The industry people were frustrated losing two back-to-back peak seasons amid long closure of educational institutions. Insiders said the pandemic had cut down their sales by over 70%. Sale of almost all categories of books declined to less than one-third, affecting allied sectors like printing, binding and other logistics, insiders said.

<https://today.thefinancialexpress.com.bd/first-page/school-reopening-rekindles-publishing-industry-hopes-1631380907>

### Sri Lanka so far got USD150m from Bangladesh

- When Sri Lanka is going through an economic emergency amid a serious scarcity of foreign reserves, the Bangladesh Bank has continued to provide the island nation with liquidity support under a currency swap deal. The Bangladesh Bank has so far lent USD150 million to debt-strapped Sri Lanka in two instalments. In the second instalment, USD100 million was released on 30 August this year while another USD50 million was transferred earlier the same month.

<https://www.tbsnews.net/economy/banking/sri-lanka-so-far-got-150m-bangladesh-301156>

## Bangladesh improves in countering money laundering, but still at high-risk

- Bangladesh ranked 33rd among 110 countries on the Basel Anti-Money Laundering (AML) Index 2021 money laundering risk score dropped to 5.84 from last year's score of 5.88, while the global average score increased to 5.3 from 5.22.

<https://www.tbsnews.net/bangladesh/crime/bangladesh-improves-countering-money-laundering-still-high-risk-302530>

## ADP implementation hits six-year low in July-August

- Annual development program's (ADP) implementation in the first two months of the current fiscal year was the lowest in six years with only 3.82% of the allocation spent during the time. In FY16, the last time the lowest implementation rate was recorded 3.86% in FY16. In FY21, the rate was 3.89%
- All ministries and divisions of the government spent Tk9,053 crore in the first two months of the current fiscal year to implement projects and programs under the ADP, revealed the monthly progress report prepared by the Implementation Monitoring and Evaluation Division (IMED) of the Planning Ministry. Total allocation for the entire fiscal year stands at Tk236,793 crore.

<https://www.tbsnews.net/bangladesh/infrastructure/adp-implementation-hits-six-year-low-july-august-302539>

## Banking sector dominates highest taxpayers' list

- Large Taxpayers Unit (LTU) – under the National Board of Revenue – has honored 30 companies for paying the highest amount of taxes in Fiscal Year 2020-21. Banking sector dominates highest taxpayers' list. Manufacturing sector follows closely, with 10 companies making into the Large Taxpayers Unit's list of 30 top organizations. LTU collected around Tk24,071 crore in taxes from the largest tax-paying companies, which is 15% more when compared to the previous year.

<https://www.tbsnews.net/dropped/nbr/banking-sector-dominates-highest-taxpayers-list-302551>

## BB governor deplors lax governance in financial sector

- Bangladesh Bank (BB) governor Fazle Kabir on Tuesday termed the state of governance in the financial sector lax and underscored its improvement for the sake of sound economic health of the country. He felt that the tax-revenue collection from the financial sector could be increased by improving governance.
- Speaking at a function, attended by leading taxpayers and high tax officials, in Dhaka, he said the banks and financial institutions occupy 78 per cent of the financial sector, and it is they who could contribute to raising the country's tax-GDP ratio.
- Recently, the NBR chairman said the tax-GDP ratio could be raised to 17 per cent if the government refrained from offering tax exemptions to spur economic growth. The NBR faced Tk 411 billion shortfall in tax-revenue collection against the revised target for last FY as, according to tax officials, the target was ambitious in the current economic context. However, the NBR achieved 20 per cent growth in tax-revenue collection last year,

collecting Tk 2.59 trillion, over the previous year.

<https://thefinancialexpress.com.bd/economy/bangladesh/bb-governor-deplores-lax-governance-in-financial-sector-1631672492>

## BB sets target for banks to disburse CSMSE loans

- Government under its second phase incentive package, has allotted BDT 20,000 crore to Covid-19 affected CSMSEs in the 2021-2022 fiscal year. Banks were given a target of disbursing BDT 19,345 crore, while the NBFIs will distribute the rest. Of this, the state-owned banks will distribute BDT 2,770 crore. Islamic banks have been given a target of distributing BDT 5,925 crore while non-Islamic banks have been given a target of distributing BDT 10,195 crore.

<https://www.tbsnews.net/economy/banking/bb-sets-target-banks-disburse-csmse-loans-302047>

## NBFIs can reschedule loans just 3 times: BB

- In a bid to bring about discipline in the rescheduling of loans by non-bank financial institutions (NBFIs), Bangladesh Bank has announced that these institutions cannot reschedule one loan more than three times. The move came after the central bank found the financial institutions repeatedly rescheduling various types of loans -- term, housing, short-term and small loans -- without taking into consideration borrowers' repayment capacity.
- The BB said in case term loans, lease, or investment by the NBFIs become substandard, the NBFIs would be able to reschedule the outstanding amount for up to 48 months for the first time. The NBFIs can regularize substandard loans for a maximum of 36 months in the second phase and for a maximum of 24 months the third time.
- For loans turning doubtful, rescheduling can be done for 36 months for the first time. The period of rescheduling declines in the second and third phase. If the term loans turn bad, the NBFIs can reschedule it for a highest 36 months for the first time. The tenure of regularization reduces in the second and third phase too.

<https://www.thedailystar.net/business/economy/banks/news/nbfis-can-reschedule-loans-just-3-times-bb-2177071>

## bKash launches integrated transaction service with Community Bank

- An integrated transaction service has been launched between bKash and Community Bank. Now the customers of Community Bank, including all the members of Bangladesh Police, can add money instantly to their bKash accounts and transfer money, says UNB.
- Community Bank customers can now make transactions 24/7 through the bKash app. Also, 55 million bKash customers will be able to "cash-out" at a 1.49% charge from 165 ATM booths of Community Bank, according to a media statement.

<https://thefinancialexpress.com.bd/trade/bkash-launches-integrated-transaction-service-with-community-bank-1631371860>

### **BGMEA president urges US to pay fair prices for apparel products**

• Bangladesh Garment Manufacturers and Exporters Association (BGMEA) President Faruque Hassan has made a call for US brands and retailers to be more rational when it comes to the prices, they pay for readymade garments products.

<https://www.tbsnews.net/economy/rmg/bgmea-president-urges-us-pay-fair-prices-apparel-products-302590>

### **BGMEA chief calls on AAFA to promote Bangladesh's business interests in US market**

• BGMEA President, Faruque Hassan requested the American Apparel and Footwear Association (AAFA) to enhance cooperation between BGMEA and AAFA to deepen mutual business engagement and explore areas of further collaboration.

<https://www.tbsnews.net/economy/rmg/bgmea-chief-calls-aafa-promote-bangladeshs-business-interests-us-market-301432>

### **Bangladesh exports USD1.94 billion more in RMG products than Vietnam**

• Bangladesh earned USD1.94 billion more in apparel exports than Vietnam in the first seven months of the current year. Bangladesh exported knit and woven products worth USD18.80 billion during the period against the textiles and garments worth USD16.86 billion exported by Vietnam, according to the official data released by the two countries.

<https://www.tbsnews.net/economy/rmg/bangladesh-exports-194-billion-more-rmg-products-vietnam-301015>

### **Canadian buyers urged to source more BD garments**

• BGMEA President Faruque Hassan has called on Canadian buyers to choose Bangladesh as a safe, sustainable and ethical apparel-sourcing destination and source more garments from the country, reports UNB.

<https://today.thefinancialexpress.com.bd/trade-market/canadian-buyers-urged-to-source-more-bd-garments-1631727097>

### **NBR to probe 'misuse' of cash incentive on exports**

• Exporters of readymade garments and home textiles are at risk of losing the cash incentives on exports – which they enjoy for using locally sourced yarn and fabrics – as the Customs Valuation and Internal Audit Commissionerate, a wing under the National Board of Revenue (NBR), has suggested revoking the facility terming it "against the rules".

• The Commissionerate in a report sent to the revenue board recently has argued that exporters who have availed the duty drawbacks facility or have purchased duty-free raw materials under back-to-back LC facility are not eligible for this incentive – known as alternative cash assistance – as per a central bank circular concerning the issue.

<https://www.tbsnews.net/dropped/trade/nbr-finds-fault-cash-incentive-exports-301606>

### **Bangladesh plastics aim at global market pie**

• The plastic industry sees huge potentials for growth in sales both in local and global markets, attracting new investments even during the pandemic. In recent months, at least two companies either invested or announced plans to put over BDT650 crore into the plastic industry that hopes to secure 3% of the global market by 2030.

• Entrepreneurs in the sector now cater to more than 80% of the local demand with annual domestic sales of over BDT28,000 crore. The current size of the global plastic market is USD570 billion (BDT47,88,000 crore) and is growing at an average annual rate of 20%.

<https://www.tbsnews.net/economy/bangladesh-plastics-aim-global-market-pie-301183>

## **Important News: Capital Market**

### **A general investor can apply for IPO shares worth BDT 10,000: BSEC**

• From now on, each general investor can apply for IPO shares worth BDT 10,000 only. However, the minimum investment of BDT 20,000 in the stock market will remain mandatory for each investor to be eligible for participating in any IPO.

• According to the new rules, general investors and non-resident Bangladeshis will enjoy 70% and 5% quota respectively from IPO under the fixed and book building methods of IPO. Previously, they got 50% shares of any IPO in the fixed price method and 40% in the book building method.

<https://www.newagebd.net/article/149199/a-general-investor-can-apply-for-ipo-shares-worth-tk-10000-bsec>

### **BD acquires 1.0% stake of NDB**

• Bangladesh finally attains 1.0-% share in the Shanghai-based New Development Bank (NDB) as the country has been offered one of three fortunate shareholders after the five founding BRICS nations. Earlier, the Shanghai-based multilateral bank had offered Bangladesh some 0.76-% share as a new member after the five founding members -- Brazil, Russia, India, China and South Africa (BRICS).

• The bank of the newly emerging economies, including the second-largest world economy, China -- boasts an authorized capital of USD100 billion, which is divided into 2.0 million shares that have a par value of USD100,000 each. The NDB's founding members made an initial subscription of 500,000 shares totaling USD50 billion, which include 100,000 thousand shares corresponding to a paid-in capital of USD10 billion and 400,000 shares corresponding to a callable capital of USD40 billion.

<https://today.thefinancialexpress.com.bd/first-page/bd-acquires-10pc-stake-of-ndb-1631380982>

### **Beximco Pharma signs SPA to acquire Sanofi shares**

• Beximco Pharmaceuticals Limited has entered into a share purchase agreement to acquire 54.6% stake in Sanofi Bangladesh Limited. On September 2, the Bangladesh Bank allowed Beximco Pharmaceuticals to purchase shares of Sanofi Bangladesh at maximum BDT 2,445 each.

- The remaining 45.4% shares of Sanofi Bangladesh is owned by the government through the Bangladesh Chemical Industries Corporation (about 20%) and the industries ministry (about 25.4%).

<https://www.newagebd.net/article/149096/beximco-pharma-signs-spa-to-acquire-sanofi-shares>

### **DSE asked to probe share price surge of 4 cos after main board return**

- Four companies are Tamijuddin Textile Mills Limited, Bangladesh Monospool Paper Manufacturing Co Limited, Paper Processing and Packaging Limited and Monno Fabrics Limited.

<https://www.newagebd.net/article/149021/dse-asked-to-probe-share-price-surge-of-4-cos-after-main-board-return>

### **BSEC to carry out special audit into Safko Spinning**

- Bangladesh Securities and Exchange Commission has decided to carry out a special audit into Safko Spinning Mills as some irregularities have been unearthed. Safko Spinning did not provide any dividend for the last two financial years. On the other hand, it increased its paid-up capital by more than 80 per cent by issuing bonus shares in the stock market. In this regard, BSEC decided to run the special audit and appoint four independent directors.

<https://www.thedailystar.net/business/economy/stock/news/bsec-carry-out-special-audit-safko-spinning-2175331>

### **BB blocks use of banks' unclaimed dividend**

- Bangladesh Bank has ruled out the use of unclaimed or undisbursed dividends of banks and non-banking financial institutions by the Capital Market Stabilization Fund (CMSF). Quoting the Bank Company Act, a BB official said: "Any payable amount will be considered deposit."
- BB also ruled out the application of disbursement of dividend despite cumulative loss by the banks and NBFIs in line with the BSEC notification.

<https://today.thefinancialexpress.com.bd/first-page/bb-blocks-use-of-banks-unclaimed-dividend-1631553601>

### **Sukuk Gets Vat Waiver**

- A senior VAT official said the rate of VAT ranging from 7.5% to 15% has been waived for popularizing the bond. It has waived gain tax at a rate of 4.0% on transfer of asset to the SPV.

<https://today.thefinancialexpress.com.bd/first-page/sukuk-gets-vat-waiver-1631727908>

### **ICB, Berger, Walton bleed on share offload order**

- ICB plunged 8.6%, Walton 6.2% and Berger 6.1% after BSEC asked them to offload at least 10% of their shares. Their combined fall caused DSEX to fall by 20 points.

<https://www.thedailystar.net/business/economy/stock/news/icb-berger-walton-bleed-share-offload-order-2175386>

### **Sandoff between central bank, stock market regulator gets a new twist**

- Only a day after the central bank opposed the use of undisbursed dividend of banks and non-banking financial institutions by the capital market Stabilization Fund (CMSF) in stock trading, Finance Minister AHM Mustafa Kamal on Tuesday endorsed the securities regulator's stance.

- "The BSEC [Bangladesh Securities and Exchange Commission] decision is a government decision," he said. "I don't believe that the securities regulator [BSEC] will [do] anything bypassing government decision," he told reporters after the day's meeting of the Cabinet Committee on Public Purchase.

<https://thefinancialexpress.com.bd/stock/bangladesh/sandoff-between-central-bank-stock-market-regulator-gets-a-new-twist-1631672073>

### **Khan Brothers PP plastic bags business surviving on local sales**

- Khan Brothers PP Woven Bag Industries Ltd survived on local sales after its business suffered a drastic fall in the second wave of the Covid-19 pandemic. Now, the export-oriented company is running on a limited capacity for local customers, accounting for only 10% of its total production. The company's main business is to manufacture different types of polypropylene (PP) plastic woven bags to sell in local and international markets.

- According to the Bangladesh Plastic Goods Manufacturers and Exporters Association, around 70 factories in Bangladesh are engaged in manufacturing PP woven fabrics, PP woven bags, FIBC bags, and other types of bags. The overall investment in Bangladesh's woven bag manufacturing sector is approximately Tk3,500 crore.

<https://www.tbsnews.net/economy/khan-brothers-pp-plastic-bags-business-surviving-local-sales-301597>

### **Dhaka Insurance's Q2 earnings double**

- Q2 (April-June) earnings of Dhaka Insurance Limited has increased by 112.76%. In a filing with Dhaka Stock Exchange on Monday, the company said that its earnings per share (EPS) was BDT 1.00 for the Q2 of 2021 as against BDT 0.47 for the Q2 of 2020. The insurance company last offered a 20% cash dividend to its shareholders back in the year 2020.

<https://www.dhakatribune.com/business/stock/2021/09/13/dhaka-insurance-s-q2-earnings-double>

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