

Weekly Market Update

Jul 18, 2024 (Week: Jul 14, 2024 – Jul 18, 2024)

Dhaka Stock Exchange

DSEX ended in Red (-1.09%) in the week

Capital Market Overview

The market closed in red this week. The benchmark index DSEX (-1.09%) lost -60.28 points and closed the week at 5,446.50 points. The blue-chip index DS30 (+0.56%) gained 10.91 points and stood at 1,953.27 points. The Shariah-based index DSES (-1.33%) lost -16.10 points and stood at 1,191.43 points. The large cap index CDSET (-0.61%) lost -6.46 points and closed at 1,046.21 points. DSEX, DS30, DSES and CDSET showed YTD returns of -12.81%, -6.71%, -12.66%, -13.02%, respectively.

Total Turnover During the Week (DSE): BDT 22.2 billion (USD 188 million)
Average Daily Turnover Value (ADTV): BDT 5.6 billion (Δ Week: -37.6%)
Market P/E: 14.9x

Daily Index Movement during the Week

The market performed four sessions during this week. The market started on a negative note on Sunday (-0.44%) but it turned positive on Monday (+0.04%). But the market turned negative again on Tuesday (-0.03%) and ended on a negative note on Thursday (-0.67%).

Sectoral Performance

- Most of the financial sectors registered negative performance this week. Mutual Fund experienced the highest loss of -5.22% followed by Life Insurance (-3.85%), General Insurance (-2.62%), NBFi (-1.26%), and Bank (+0.86%).
- Non-financial (large-cap) sectors posted mixed performance this week. Engineering booked the highest gain of 1.95% followed by Telecommunication (+1.67%), and Pharmaceutical (+0.98%). Fuel & Power experienced the highest loss of 3.14% followed by Food & Allied (-0.34%).

Macroeconomic arena

Govt borrowing through bonds, bills rises fivefold. BB to keep policy rates high to curb inflation. BD's IsDB stake shrinks, raising risks for petroleum imports. TELECOM | BTCL recorded BDT 3.16 Bn unrealised dues as 'current asset': . BANK | Borrowers under pressure as lending rate hits 16% in July. AVIATION | Cargo piles up at HSIA as C&F agents observe strike for 3 days. Foreigners working in Bangladesh rising. Ctg customs to auction 182 vehicles as scrap. EPB pauses export data release for 3 months, to probe mismatches. BANK | Bangladeshis' credit card spending abroad falls 10% in May. Five-year strategic plan finalised to modernise customs: NBR. CERAMIC | Ceramics industry reeling from three-pronged assault. HEALTHCARE | Out-of-pocket spendings for healthcare push 6.1 Mn into poverty in 2022: BIDS. Bangladesh, Vietnam to lead cotton consumption growth in next decade.

Bangladesh, Mauritius ink revised protocol. Import delivery partially to go outside Ctg port. Pressure on taxpayers to increase slightly owing to higher collections goal. IT | BASIS America Desk launched. TELECOM | Mobile phone operators join race to capture broadband market. TRADE | Maersk launches new ocean service to supercharge BD-China trade. RMG | Knitting industries call indefinite strike for price hike. LEATHER | Tanners Assoc authorised to issue certificates for cash incentives against all finished leather exports. BB signals further monetary tightening as inflation rages. Inflation outpaces wage growth for 29th month straight. Exports actually fell in July-May. Bank guarantee new headache for Bepza EZ investors. PHARMACEUTICAL | Local pharma lights up hope in cancer treatment. ENGINEERING | Kiam to invest BDT 12 Bn in new glassware manufacturing facility. IT | Experts identify challenges for semiconductor industry. NBFi | NBFi's bad loans surge to a record BDT 232.08 Bn.

Stock Market arena

GP | GP declares 160% interim dividend for Q2 despite profit fall. LHBL | LafargeHolcim's profit declines. ROBI | Auditor general finds Robi didn't pay BDT 3.65 Bn in taxes. UTTARABANK | Uttara Bank gains 108% growth in profit in Q2. SKTRIMS | BFIU freezes SK Trims' bank accounts. SKICL | Sena Kalyan Insurance profit jumps 75% in Q2. NRBCBANK | BSEC opens probe into NRBC Bank's AGM 'irregularities'. TAMIJTEX | Tamijuddin Textile 'misappropriates' over BDT 330 Mn of bonus shares. EXCHANGE | Dhakathai Alcomaxx files for going public. PRIMEBANK | Prime Bank and IFC sign agreement for USD 90 Mn to support MSMEs in Bangladesh. SPCL | Shahjibazar Power secures 5-yr extension for electricity supply to . SADHESIVE | Star Adhesives gets approval to issue BDT 500 Mn convertible bond. WONDERTOYS | Transfer from OTC to SME board: Regulator has more things to fret about.

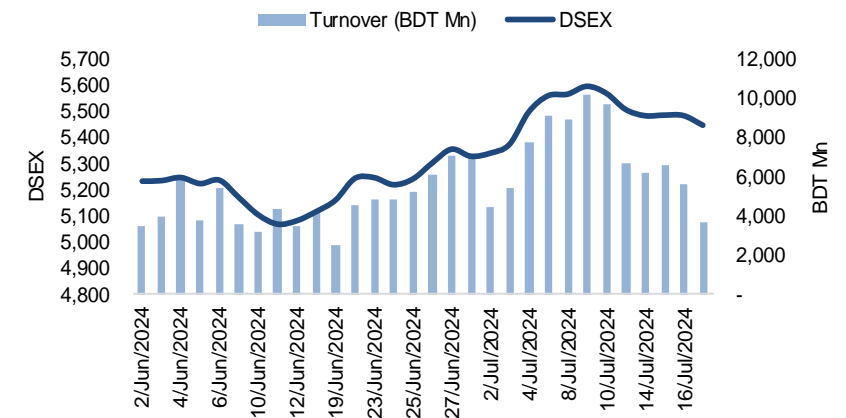
Table 1: Index

Index	Closing*	Opening*	Δ (Pts)	28-Dec-2023	Δ % Week	Δ % YTD
DSEX	5,446.50	5,506.78	-60.28	6,246.50	-1.09%	-12.81%
DS30	1,953.27	1,942.36	+10.91	2,093.83	+0.56%	-6.71%
DSES	1,191.43	1,207.53	-16.10	1,364.13	-1.33%	-12.66%
CDSET	1,046.21	1,052.67	-6.46	1,202.82	-0.61%	-13.02%

Table 2: Market Statistics

		This Week	Last Week	% Change
M cap	M n BDT	6,609,141	6,636,526	-0.4%
	M n USD	56,037	56,269	
Turnover	M n BDT	22,204	44,480	-50.1%
	M n USD	188	377	
Average Daily Turnover	M n BDT	5,551	8,896	-37.6%
	M n USD	47	75	
Volume	M n Shares	653	1,511	-56.8%

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
FARCHEM	24.5	20.5	+19.5%	3,751	104.3	NM	0.8x
LIBRAINFU	810.1	700.8	+15.6%	1,825	89.0	NM	10x
RANFOUNDRY	172.2	149.8	+15.0%	1,722	95.4	NM	5.2x
MIDLANDBNK	22.4	20.0	+12.0%	14,329	84.5	13.9x	16x
GQBALLPEN	150.9	134.9	+11.9%	1,347	162.4	NM	13x
ISNLTD	47.7	43.3	+10.2%	521	42.6	NM	15.8x
WATACHEM	169.8	154.6	+9.8%	2,517	45.6	65.1x	2.7x
NRBBANK	12.4	11.5	+7.8%	8,563	373.4	12.0x	0.9x
GEMINISEA	321.2	298.0	+7.8%	3,432	411.9	45.5x	14.6x
AMCL(PRAN)	249.8	232.8	+7.3%	1,998	18.4	50.0x	2.8x

Table 4: Top Ten Losers

Company Name	Close*	Open*	Δ%	Mcap**	Turnover**	PE	PB
KBPWBIL	118.0	133.0	-11.3%	11,573	20.5	NM	10.0x
SKTRIMS	22.7	25.5	-11.0%	1,923	31.3	17.2x	1.4x
DESHBANDHU	33.3	37.4	-11.0%	2,043	153.9	56.4x	1.7x
FAREASTFIN	3.3	3.7	-10.8%	541	0.2	NM	NM
CAPITECGBF	13.5	15.1	-10.6%	2,102	160.4	NM	1.4x
BDWELDING	16.5	18.4	-10.3%	715	2.8	NM	1.4x
GLDNJMF	14.4	16.0	-10.0%	1,440	1.8	NM	1.4x
PREMIERLEA	3.6	4.0	-10.0%	479	0.1	NM	NM
KPPL	19.4	21.4	-9.3%	1,417	19.4	NM	NM
AFTABAUTO	39.2	43.2	-9.3%	4,137	330.8	NM	0.8x

Table 5: Top Ten Most Traded Shares

Company Name	Close*	Open*	Δ%	Mcap**	Turnover**	PE	PB
ORIONINFU	554.7	522.7	+6.1%	11,294	973.4	NM	37.2x
SEAPEARL	82.4	86.8	-5.1%	9,950	734.2	27.7x	4.2x
LOVELLO	100.3	97.0	+3.4%	8,526	705.7	72.7x	7.6x
SALVOCHEM	50.7	52.9	-4.2%	3,297	513.3	24.9x	3.1x
BEACHHATCH	88.2	92.0	-4.1%	3,652	498.6	45.7x	7.1x
AGNISYSL	29.4	29.1	+1.0%	2,133	477.9	27.5x	1.8x
SONALIPAPR	301.3	317.8	-5.2%	9,926	428.9	91.6x	1.8x
GEMINISEA	321.2	298.0	+7.8%	3,432	411.9	45.5x	14.6x
GHCL	45.9	47.8	-4.0%	3,305	400.5	NM	1.1x
FEKDIL	19.6	19.7	-0.5%	4,287	379.3	12.6x	1.0x

Table 6: Most Appreciated YTD in BRAC EPL Universe

Company Name	Close*	YTD %Δ	Mcap**	PE	PB
UNILEVERCL	2,563.7	+27.0%	49,414	57.3x	19.2x
HEIDELBCEM	2913	+21.6%	16,459	35.4x	3.9x
BRACBANK	39.1	+20.1%	69,196	7.8x	1.0x
JAMUNAOIL	178.4	+5.9%	19,700	4.9x	0.8x
CITYBANK	20.4	+4.9%	27,480	4.2x	0.7x
BERGERPBL	1,842.7	+3.9%	85,461	26.3x	6.4x
EBL	26.8	+2.6%	36,398	5.6x	0.8x
SQRPHARMA	215.0	+2.2%	190,587	9.4x	1.6x
RECKITBEN	4,849.4	+1.9%	22,913	NM	17.0x
BSRMLTD	90.0	-	26,873	4.6x	0.6x

Table 7: Sector Indices

Sector Name	Week Close*	Week Open*	Year Open*	Δ% Week	Δ% YTD
Bank	1,355.0	1,343.4	1,455.32	+0.86%	-6.89%
NBFI	1,177.3	1,192.3	1,902.52	-1.26%	-38.12%
Mutual Fund	663.9	700.5	876.90	-5.22%	-24.29%
General Insurance	3,213.9	3,300.5	3,489.09	-2.62%	-7.89%
Life Insurance	2,007.6	2,087.8	2,637.78	-3.85%	-23.89%
Telecommunication	4,154.9	4,086.7	4,945.60	+1.67%	-15.99%
Pharmaceutical	3,246.2	3,214.8	3,732.58	+0.98%	-13.03%
Fuel & Power	1,223.3	1,263.0	1,691.80	-3.14%	-27.69%
Cement	2,337.9	2,375.7	2,523.22	-1.59%	-7.34%
Services & Real Estate	1,461.2	1,554.4	1,518.57	-6.00%	-3.78%
Engineering	3,099.1	3,039.8	4,520.40	+1.95%	-31.44%
Food & Allied	16,327.6	16,383.6	21,180.76	-0.34%	-22.91%
IT	2,567.7	2,645.5	2,894.80	-2.94%	-11.30%
Textile	1,227.3	1,273.1	1,658.23	-3.60%	-25.99%
Paper & Printing	6,938.6	7,272.2	10,093.63	-4.59%	-31.26%
Tannery	2,413.6	2,437.9	3,103.94	-1.00%	-22.24%
Jute	17,178.4	17,317.2	17,683.51	-0.80%	-2.86%
Ceramics	500.1	531.9	694.56	-5.98%	-28.00%
Miscellaneous	4,291.9	4,303.8	4,265.32	-0.28%	+0.62%

Table 8: Sector Trading Matrix

Sector Name	Daily average this Week	Daily average last Week	% Change	% of Total Turnover	PE	PB
Bank	421.4	541.8	-22.23%	+8.27%	7.4x	0.7x
NBFI	125.4	158.2	-20.72%	+2.46%	NM	NM
Mutual Fund	188.0	383.2	-50.94%	+3.69%	NM	0.6x
General Insurance	255.8	564.2	-54.67%	+5.02%	16.8x	14x
Life Insurance	198.2	300.3	-34.01%	+3.89%	NM	NM
Telecommunication	71.6	100.0	-28.40%	+1.41%	11.7x	3.1x
Pharmaceutical	1,121.6	1,453.6	-22.84%	+22.03%	16.6x	18x
Fuel & Power	123.7	257.2	-51.90%	+2.43%	21.1x	0.7x
Cement	131.6	125.5	+4.87%	+2.58%	18.6x	2.5x
Services & Real Estate	280.7	623.5	-54.99%	+5.51%	25.3x	0.6x
Engineering	476.8	885.8	-46.17%	+9.36%	15.0x	1.1x
Food & Allied	598.0	892.9	-33.03%	+11.74%	16.0x	5.0x
IT	245.2	380.8	-35.61%	+4.82%	27.9x	2.2x
Textile	414.7	941.8	-55.97%	+8.14%	NM	0.9x
Paper & Printing	140.7	210.6	-33.17%	+2.76%	44.7x	14x
Tannery	70.7	153.8	-54.05%	+1.39%	38.0x	2.5x
Jute	63.0	66.3	-4.92%	+1.24%	NM	NM
Ceramics	54.1	141.2	-61.67%	+1.06%	43.4x	13x
Miscellaneous	111.4	200.9	-44.54%	+2.19%	39.4x	18x

Table 9: Least Appreciated YTD in BRAC EPL Universe

Company Name	Close*	YTD %Δ	Mcap**	PE	PB
IPDC	217	-60.4%	8,455	24.4x	12x
DOREENPWR	27.9	-54.3%	5,053	7.0x	0.5x
ACI	128.6	-50.6%	9,800	NM	13x
BSCPLC	113.8	-48.0%	18,766	9.7x	12x
RUNNERAUTO	25.4	-47.5%	2,884	NM	0.4x
BBSCABLES	27.2	-45.5%	5,759	NM	0.8x
TITASGAS	22.9	-44.0%	22,653	NM	0.3x
UPGDCL	133.9	-42.7%	77,621	10.4x	2.3x
ESQUIRENIT	20.1	-41.7%	2,711	NM	0.3x
BARKAPOWER	12.9	-39.4%	3,038	8.7x	0.6x

Important News: Business, Economy & Sector

Govt borrowing through bonds, bills rises fivefold

- According to the central bank, the government secured BDT 211.29 Bn through the auction of treasury bonds in FY24. In contrast, it did not borrow any money through the tool in 2022-2023. Rather, such debts went down by BDT 6.15 Bn compared to the previous fiscal year.

<https://www.thedailystar.net/business/news/govt-borrowing-through-bonds-bills-rises-fivefold-3658861>

BB to keep policy rates high to curb inflation

- The monetary authority is likely to keep unchanged the policy rate, a major tool of monetary policy, as it has little scope to raise it, officials of the central bank said, seeking anonymity. If the rate goes up further, it will adversely impact the GDP (gross domestic product) growth since the lending rate would cross 15%, making investments costlier.

<https://www.thedailystar.net/business/news/bb-keep-policy-rates-high-curb-inflation-3658851>

BD's IsDB stake shrinks, raising risks for petroleum imports

- Bangladesh's stake in the Islamic Development Bank (IsDB) has fallen due to an increase in the bank's special capital, sources said, as it consequently could make loan negotiations for petroleum product imports difficult.

<https://thefinancialexpress.com.bd/trade/bds-isdb-stake-shrinks-raising-risks-for-petroleum-imports>

TELECOM | BTCL recorded BDT 3.16 Bn unrealised dues as 'current asset': CAG

- Bangladesh Telecommunications Company Limited (BTCL) has failed to realise dues worth around BDT 3.16 Bn from different companies and falsely recorded it as a "current asset" in its financial statement.

<https://www.thedailystar.net/business/news/btcl-recorded-tk-316cr-unrealised-dues-current-asset-8831>

BANK | Borrowers under pressure as lending rate hits 16% in July

- The interest rate on consumer loans hit a maximum of 16% in July, as banks drastically raised lending rates due to high inflationary risks, putting borrowers under severe repayment pressure, according to banks.

<https://www.tbsnews.net/economy/banking/borrowers-under-pressure-lending-rate-hits-16-july-901226>

AVIATION | Cargo piles up at HSIA as C&F agents observe strike for 3 days

- Nearly 1,500 tonnes of cargo have been stockpiled at the Hazrat Shahjalal International Airport (HSIA) in Dhaka over the past three days due to a strike called by clearing and forwarding (C&F) agents.

<https://www.thedailystar.net/business/news/cargo-piles-hsia-cf-agents-observe-strike-3-days-3658856>

Foreigners working in Bangladesh rising

- A total of 16,303 applications from nationals of 101 countries were approved by the Bangladesh Investment Development Authority (Bida) in the fiscal year of 2022-23, up around 8% year-on-year.

<https://www.thedailystar.net/business/news/foreigners-working-bangladesh-rising-3657951>

Ctg customs to auction 182 vehicles as scrap

- Chattogram Customs House earlier this month started dismantling 182 vehicles, which had been abandoned by importers at the Chattogram port, to auction off the parts as scrap.

<https://www.thedailystar.net/business/news/ctg-customs-auction-182-vehicles-scrap-3657936>

EPB pauses export data release for 3 months, to probe mismatches

- According to the Bangladesh Bank, the actual export amount is reportedly at least USD 10 Bn less than the figures published by EPB up to May of the last financial year. Following this revelation, concerns have emerged regarding the accuracy of various pieces of information within the country's financial sector.

<https://www.tbsnews.net/economy/epb-wont-publish-bangladesh-export-stats-3-months-900251>

BANK | Bangladeshis' credit card spending abroad falls 10% in May

- Bangladeshis traveling abroad spent approximately BDT 4.56 Bn through credit cards in May, marking a 9.94% decrease from the BDT 5.06 Bn spent in April, according to data from the Bangladesh Bank.

<https://www.tbsnews.net/economy/banking/credit-card-spending-bangladeshis-travelling-abroad-falls-66>

Five-year strategic plan finalised to modernise customs: NBR

- The customs authority said significant progress has been made in the implementation of customs modernisation strategic action plans for 2019-2022 and 2014-2017 and scope for further development is there.

<https://www.thedailystar.net/business/news/five-year-strategic-plan-finalised-modernise-56>

CERAMIC | Ceramics industry reeling from three-pronged assault

- One of the major problems facing the industry has been brought on by inflationary pressures, which have eaten away at local demand for ceramics. Annual inflation rose to a 12-year high of 9.73% in fiscal year (FY) 2023-24, the highest since 2011-12, according to the Bangladesh Bureau of Statistics.

<https://www.thedailystar.net/business/news/ceramics-industry-reeling-three-pronged-assault-3657946>

HEALTHCARE | Out-of-pocket spendings for healthcare push 6.1 Mn into poverty in 2022: BIDS

- Soaring out-of-pocket healthcare expenses pushed 6.1 Mn Bangladeshis, or 3.7% of the population, into poverty in 2022, according to a recent study by the Bangladesh Institute of Development Studies (BIDS).

<https://www.tbsnews.net/bangladesh/health/out-pocket-spendings-healthcare-push-61-lakh-poverty-326>

Bangladesh, Vietnam to lead cotton consumption growth in next decade

- Bangladesh and Vietnam are expected to experience the fastest growth in cotton consumption and trade in the next decade as their capacities are projected to witness significant growth due to competitive labour and production costs, according to a global outlook.

<https://today.thefinancialexpress.com.bd/trade-market/bangladesh-vietnam-to-lead-cotton-172>

Bangladesh, Mauritius ink revised protocol

- Both countries signed the protocol on February 5, 2024, and April 9, 2024, by Mauritius and Bangladesh respectively. With the revised taxing rights on capital gain, technical fees and permanent establishments, the amended protocol would come into effect from July 1, 2025.

<https://today.thefinancialexpress.com.bd/stock-corporate/bangladesh-mauritius-ink-revised-protocol-1720979707>

Import delivery partially to go outside Ctg port

- In September 2022, the Chittagong Port Authority (CPA) signed a deal with Bay Cargo Centre to allow the private firm to handle and deliver imported cargoes from LCL (less-than-container load) containers at its two old sheds -- named X and Y sheds -- located around two kilometres off the main port yard.

<https://www.thedailystar.net/business/news/import-delivery-partially-go-outside-ctg-port-3657101>

Pressure on taxpayers to increase slightly owing to higher collections goal

- The pressure on all categories of taxpayers, including VAT-paying companies will slightly increase as the government looks to accelerate revenue collections, said a top official of the National Board of Revenue (NBR).

<https://www.thedailystar.net/business/news/pressure-taxpayers-increase-slightly-owing-higher-collections-goal-3657091>

IT | BASIS America Desk launched

- The desk will serve as a dedicated platform to showcase the latest technological advancements to American companies and investors, facilitate information exchange through seminars and business-to-business meetings and organise training programmes and workshops.

<https://www.thedailystar.net/business/news/basis-america-desk-launched-3656796>

TELECOM | Mobile phone operators join race to capture broadband market

- The country's three private mobile network operators are racing to grab a share of the rapidly expanding broadband market by offering fixed wireless access (FWA) services, which give users Wi-Fi connections without cables. The moves are expected to spark fierce competition in the BDT 80 Bn broadband internet market in Bangladesh.

<https://www.thedailystar.net/business/news/mobile-phone-operators-join-race-capture-broadband-7961>

TRADE | Maersk launches new ocean service to supercharge BD-China trade

- The SH3 route starts at Shanghai Port in China, calling at Xiamen, Kaohsiung, Nansha and Tanjung Pelepas before reaching Chittagong in Bangladesh. On the return journey to Shanghai Port, the service stops at Tanjung Palapas -- a hub for long-haul routes to Europe.

<https://today.thefinancialexpress.com.bd/trade-market/maersk-launches-new-ocean-service-to-643>

RMG | Knitting industries call indefinite strike for price hike

- The knitting industries across the country have called for an indefinite strike demanding a price hike of the raw materials they produce for the knitwear sector. Production will remain shut in the factories from July 15 and it will continue until further notice, Md Selim Sarwar, president of Bangladesh Knitting Owners Association (BKO), said in a statement.

<https://www.thedailystar.net/business/news/knitting-industries-call-indefinite-strike-price-hike-3657071>

LEATHER | Tanners Assoc authorised to issue certificates for cash incentives against all finished leather exports

- The Bangladesh Tanners Association (BTA) is now authorised to issue certificates to its members for cash assistance applications related to all types of finished leather exports, according to the Bangladesh Bank. The central bank's Foreign Exchange Policy Department (FEPD) issued a circular today (14 July) in this regard.

<https://www.tbsnews.net/economy/industry/tanners-assoc-authorised-issue-certificates-cash-incentives-against-all-finished>

BB signals further monetary tightening as inflation rages

- Annual inflation rose to 9.73% in 2023-24, the highest since 2011-12 when it was 10.62%, overshooting the government's target of containing it to 7.5%, according to the Bangladesh Bureau of Statistics (BBS).

<https://www.thedailystar.net/business/news/bb-signals-further-monetary-tightening-inflation-rages-3654946>

Inflation outpaces wage growth for 29th month straight

- Wages of low-paid and unskilled workers grew 7.95% in June, which was 1.77% below the inflation rate of 9.72% in the same month, showed the Wage Rate Index (WRI) of the Bangladesh Bureau of Statistics (BBS).

<https://www.thedailystar.net/business/news/inflation-outpaces-wage-growth-29th-month-straight-3654961>

Exports actually fell in July-May

- The EPB said exports grew 2.01% to USD 51.54 Bn in the first 11 months of the last fiscal year. Bangladesh Bank said the actual shipment was worth USD 40.72 Bn during the period, a decrease of USD 10.82 Bn, or 21%, from the figure released by the EPB.

<https://www.thedailystar.net/business/news/exports-actually-fell-july-may-3654956>

Bank guarantee new headache for Bepza EZ investors

- These export-oriented factories must provide bank guarantees to release their imported raw materials, a rule does not present in other EPZs (Export Processing Zones) in Bangladesh. This is causing delays and financial burdens for the companies.

<https://www.tbsnews.net/economy/bank-guarantee-new-headache-bepza-ez-investors-898111>

PHARMACEUTICAL | Local pharma lights up hope in cancer treatment

- The pharmaceutical sector of Bangladesh has achieved many milestones over the past 14 years. Not only do local companies now meet 90% of the country's demand for medicines, but the products are also exported to around 150 countries.

<https://www.thedailystar.net/business/economy/news/local-pharma-lights-hope-cancer-treatment-3655506>

ENGINEERING | Kiam to invest BDT 12 Bn in new glassware manufacturing facility

- The project is planned to be completed in two phases. The first phase involves the construction of a soda-lime glass manufacturing factory that will produce 70 tonnes of glassware products daily, with an investment of BDT 5-6 Bn.

<https://www.tbsnews.net/economy/industry/kiam-invest-tk1200cr-new-glassware-manufacturing-facility-896776>

IT | Experts identify challenges for semiconductor industry

- A lack of understanding of industry dynamics, weak decisions in adapting to unfolding scenarios, excessive reliance on incentives and subsidies, and generic human resource development are among the major risk factors.

<https://www.thedailystar.net/business/news/experts-identify-challenges-semiconductor-industry-3654951>

NBFI | NBFIs' bad loans surge to a record BDT 232.08 Bn

- The toxic assets accounted for a record 32% of the total disbursed loans of BDT 735.61 Bn in the sector, up from 31.55% a year earlier, according to data from the Bangladesh Bank.

<https://www.thedailystar.net/business/economy/news/nbfis-bad-loans-surge-record-tk-23208-crore-3654811>

Important News: Capital Market

GP | GP declares 160% interim dividend for Q2 despite profit fall

- Revenue for the largest mobile phone operator in Bangladesh rose around 6% year-on-year to BDT 42.23 Bn in the second quarter of 2024, according to the financial report. However, the bottom line plunged around 28% to BDT 8.61 Bn.

<https://www.thedailystar.net/business/news/gp-declares-160-interim-dividend-q2-despite-profit-fall-846>

LHBL | LafargeHolcim's profit declines

- LafargeHolcim Bangladesh Limited (LHBL), a building material solutions provider, saw its profit decline by 33% in the first half of 2024 compared to the same period the year prior due to a sales decline amidst ongoing economic challenges. The company's earnings per share dropped to BDT 2.09 from BDT 3.11 in the same period.

<https://www.thedailystar.net/business/news/lafargeholcims-profit-declines-3658841>

ROBI | Auditor general finds Robi didn't pay BDT 3.65 Bn in taxes

- The Comptroller and Auditor General (CAG) of Bangladesh has found that Robi Axiata Limited paid BDT 3.65 Bn less in taxes for 2019 by reporting lower income through deductions in unallowable costs that did not comply with the income tax law.

<https://www.tbsnews.net/economy/stocks/auditor-general-finds-robi-didnt-pay-tk365cr-taxes-901091>

UTTARABANK | Uttara Bank gains 108% growth in profit in Q2

- Uttara Bank gained a 108% year-on-year growth in profit to BDT 1.37 Bn in the second quarter of FY24, according to its unaudited financial report published on Sunday. In the first six months of FY24, the lender earned 61% more to BDT 1.94 Bn compared to the same period a year ago.

<https://thefinancialexpress.com.bd/stock/bangladesh/uttara-bank-gains-108pc-growth-in-profit-in-q2>

SKTRIMS | BFIU freezes SK Trims' bank accounts

- The bank accounts were frozen at the recommendation of the Anti-Corruption Commission (ACC), according to a disclosure published on the websites of Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE) today.

<https://www.tbsnews.net/economy/stocks/bfiu-freezes-sk-trims-bank-accounts-899556>

SKICL | Sena Kalyan Insurance profit jumps 75% in Q2

- Sena Kalyan Insurance Company Limited gained a 75% higher profit to BDT 45.6 Mn in the second quarter through June this year, compared to the same quarter a year ago. In the first six months of the year, it earned 56% more to BDT 82.4 Mn than in the same period last year, according to its unaudited financial statements.

<https://today.thefinancialexpress.com.bd/stock-corporate/sena-kalyan-insurance-profit-jumps-75pc-460>

NRBCBANK | BSEC opens probe into NRBC Bank's AGM 'irregularities'

- The stock market regulator has formed a committee to investigate allegations of irregularities, including claims that NRBC Commercial (NRBC) Bank did not comply with rules when holding its annual general meeting (AGM) earlier this month.

<https://www.tbsnews.net/economy/stocks/bsec-opens-probe-nrbc-banks-agm-irregularities-900266>

TAMIJTEX | Tamijuddin Textile 'misappropriates' over BDT 330 Mn of bonus shares

- The company has so far deposited about 1.06 Mn undistributed bonus shares into the account of the Capital Market Stabilisation Fund (CMSF). It claimed to have given another 1.21 Mn bonus shares, which had remained as undistributed for long, to the rightful owners and that there were no undistributed stock dividends in the suspense account.

<https://thefinancialexpress.com.bd/stock/bangladesh/tamijuddin-textile-misappropriates-over-tk-res>

EXCHANGE | Dhakathai Alcomaxx files for going public

- The company plans to use BDT 190 Mn for expansion, BDT 50 Mn for working capital, BDT 47.1 Mn for loan repayment, and BDT 12.8 Mn for IPO expenses. According to its application with the Bangladesh Securities and Exchange Commission (BSEC), the manufacturer plans to issue 30 Mn shares via the fixed price method.

<https://www.tbsnews.net/economy/stocks/dhakathai-alcomaxx-files-going-public-899586>

PRIMEBANK | Prime Bank and IFC sign agreement for USD 90 Mn to support MSMEs in Bangladesh

- Prime Bank PLC has signed a USD 90 Mn term loan agreement with the International Finance Corporation (IFC), a member of the World Bank Group, aimed at supporting export and import-based MSMEs in Bangladesh. economic growth and resilience across the country, reads a press release.

<https://www.tbsnews.net/economy/corporates/prime-bank-and-ifc-sign-agreement-90-million-support-msmes-bangladesh-899536>

SPCL | Shahjibazar Power secures 5-yr extension for electricity supply to national grid

- The Bangladesh Power Development Board (BPDB) has extended its long-term agreement with Shahjibazar Power Company for an additional five years, allowing the company to continue supplying electricity to the national grid.

<https://www.tbsnews.net/economy/stocks/shahjibazar-power-secures-5-yr-extension-electricity-supply-national-grid-897261>

SADHESIVE | Star Adhesives gets approval to issue BDT 500 Mn convertible bond

- Star Adhesives Ltd, a concern of the Partex Star Group, has obtained consent from the Bangladesh Securities and Exchange Commission to issue a convertible bond worth BDT 500 Mn to expand its existing business and refinance bank loans, according to the stock exchange disclosure.

<https://www.tbsnews.net/economy/stocks/star-adhesives-gets-approval-issue-tk50cr-convertible-bond-897426>

WONDERTOYS | Transfer from OTC to SME board: Regulator has more things to fret about

- Listed SME companies are required to disclose yearly earnings, instead of quarterly as is the case for the companies listed on the main board. But Wonderland Toys has not made any financial statement public for nearly three years.

<https://today.thefinancialexpress.com.bd/stock-corporate/transfer-from-otc-to-sme-board-regulator-has-more-things-to-fret-about-1720888072>

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