

Weekly Market Update

Capital Market Overview

The market closed in red this week. The benchmark index DSEX (-2.95%) lost -157.75 points and closed the week at 5,197.58 points. The blue-chip index DS30 (-3.39%) lost -67.36 points and stood at 1,919.05 points. The Shariah-based index DSES (-3.19%) lost -37.97 points and stood at 1,151.56 points. The large cap index CDSET (-3.38%) lost -37.10 points and closed at 1,060.55 points. DSEX, DS30, DSES and CDSET showed YTD returns of -16.79%, -8.35%, -15.58%, -11.83%, respectively.

Total Turnover During The Week (DSE): BDT 23.3 billion (USD 194 million)
Average Daily Turnover Value (ADTV): BDT 4.7 billion (Δ% Week: -15.9%)
Market P/E: 14.9x

Daily Index Movement during the Week

The market performed five sessions during this week. The market started off as negative on Sunday (-0.5%), and remained negative on Monday (-0.5%) and remained negative on Tuesday (-1.1%). turned positive on Wednesday (+0.0%) but again closed negative on Thursday (-0.9%).

Sectoral Performance

· Most of the financial sectors registered negative performance this week. Mutual Fund experienced the highest loss of -3.53% followed by General Insurance (-3.22%), Bank (-2.99%), Life Insurance (-0.28%), and NBF1 (+0.35%).

· All the non-financial (large-cap) sectors registered negative performance this week. Fuel & Power experienced the highest loss of 3.89% followed by Pharmaceutical (-2.79%), Food & Allied (-2.68%), Telecommunication (-2.59%), and Engineering (-2.51%).

Macroeconomic Arena

Govt approves two hard-term loans worth USD 260 Mn. Cenbank raises limit for private travel foreign currency exchange. Focus now on one exemplary economic zone, not 100. NBF1 | How some non-banks tamed bad loans. BANK | Moody's takes negative rating action on 6 Bangladeshi banks, following sovereign downgrade. Bangladesh loses USD 335 Mn a year for corporate tax abuse. RMG | RMG exports to EU log 2.47% neg growth. BANK | Now First Security, National, Exim banks get BDT 2.65 Bn liquidity support . BANK | Janata Bank's 61% loans soured mainly for Beximco, S Alam. BANK | Bangladesh Bank bills make a comeback. Moody's downgrades Bangladesh's ratings to B2, changes outlook to negative.

BANK | BB won't shut down companies like S Alam Group, Beximco: Mansur. Deadline for tax return submission extended to Dec 31. Inflation, economic downturn, poverty, inequality top risks for next 2 years: Survey. SMEs bear the full brunt of financial hardship. TANNERY | Leather footwear exports hit 5-year high in Jul-Oct. BANK | Agrani Bank leads in remittance growth in September. BANK | MFS accounts increase by nearly 20 Mn in one year. BANK | Default loan reaches record high of BDT 2.85 Tn. IT | Single-band Wi-Fi routers to be phased out in Bangladesh by 2025. Budget support from WB, ADB: USD 1.1 Bn loan likely by December. Bangladesh, Japan agree to ink EPA to deepen trade ties. RMG | Listed textile giants show resilience amidst challenges.

Stock Market Arena

BRACBANK | BRAC Bank's deposit grows by BDT 100 Bn in 10 months. MONNOCERA | Monno Ceramic's profit plunges 89% in Q1. DOREENPWR | Doreen Power posts 17% drop in profit. BEXIMCO | Govt to lend BDT 600 Mn to Beximco to clear wages. BDTHAIFOOD | BD Thai Food's profit hits rock bottom due to hefty Q4 loss. EXCHANGE | Stock market faces BDT 97 Bn negative equity burden. UNIONBANK, FIRSTSBANK | Union Bank, First Security Islami Bank take action against 456 officials over irregularities, loans to S Alam.EXCHANGE | BSEC seeks 5-year tax holiday for IPOs with 30% free-float . EXCHANGE | BDT 20 Bn bond issuance by 5 banks okayed by BSEC. WALTONHIL | Walton inks deal with Sri Lankan firm for market expansion. ISLAMIBANK | Islami Bank to realise BDT 100 Bn by selling S Alam Group's stake. EXCHANGE | Falling global interest rates, market reforms drive up foreign investments. SQUARETEXT | Square Textiles post BDT 370 Mn profit in Q1. ICB | How ICB recovers big losses in final quarter.

DSEX ended in Red (-2.95%) in the week

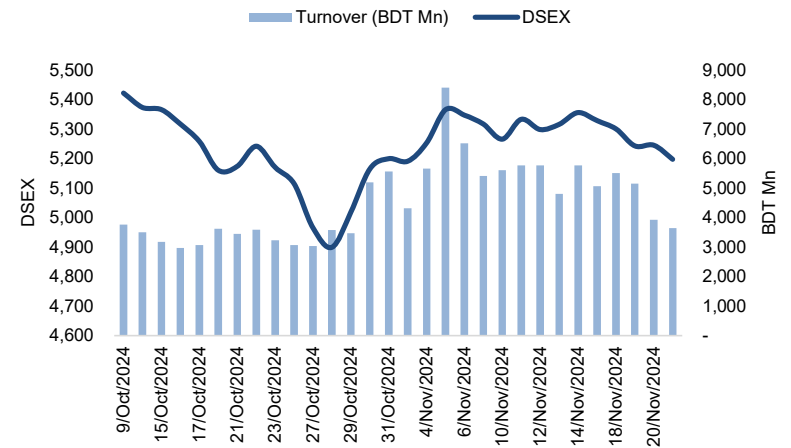
Table 1: Index

| Index | Closing* | Opening* | Δ(Pts) | 28-Dec-2023 | Δ% Week | Δ% YTD |
|-------|----------|----------|---------|-------------|---------|---------|
| DSEX | 5,197.58 | 5,355.33 | -157.75 | 6,246.50 | -2.95% | -16.79% |
| DS30 | 1,919.05 | 1,986.41 | -67.36 | 2,093.83 | -3.39% | -8.35% |
| DSES | 1,151.56 | 1,189.52 | -37.97 | 1,364.13 | -3.19% | -15.58% |
| CDSET | 1,060.55 | 1,097.65 | -37.10 | 1,202.82 | -3.38% | -11.83% |

Table 2: Market Statistics

| | | This Week | Last Week | % Change |
|------------------------|-----------|-----------|-----------|----------|
| Mcap | Mn BDT | 6,627,191 | 6,746,789 | -1.77% |
| | Mn USD | 55,227 | 56,223 | -1.77% |
| Turnover | Mn BDT | 23,290 | 27,701 | -15.92% |
| | Mn USD | 194 | 231 | -15.92% |
| Average Daily Turnover | Mn BDT | 4,658 | 5,540 | -15.92% |
| | Mn USD | 39 | 46 | -15.92% |
| Volume | Mn Shares | 777 | 906 | -14.18% |

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 |
|--------------|--------|-------|--------|--------|------------|-------|-------|
| JUTESPINN | 243.6 | 191.0 | +27.5% | 414 | 3.7 | NM | NM |
| FINEFOODS | 214.2 | 175.1 | +22.3% | 2,993 | 455.8 | NM | 18.0x |
| TILIL | 36.4 | 30.6 | +19.0% | 1,456 | 56.6 | NM | NM |
| RUPALILIFE | 105.2 | 92.9 | +13.2% | 3,157 | 147.2 | NM | NM |
| MEGHNAINS | 30.4 | 26.9 | +13.0% | 1,216 | 110.6 | 26.2x | 2.2x |
| SAMATALETH | 45.3 | 40.1 | +13.0% | 467 | 11.5 | NM | 3.2x |
| FARCHEM | 17.4 | 15.6 | +11.5% | 2,664 | 13.0 | 51.2x | 0.5x |
| MITHUNKNIT | 14.9 | 13.6 | +9.6% | 484 | 4.6 | NM | 4.7x |
| NITOLINS | 30.1 | 27.5 | +9.5% | 1,210 | 41.3 | 24.9x | 1.0x |
| PADMALIFE | 18.2 | 16.7 | +9.0% | 708 | 4.6 | NM | NM |

Table 4: Top Ten Losers

| Company Name | Close* | Open* | Δ% | Mcap** | Turnover** | PE | PB |
|--------------|--------|-------|--------|--------|------------|-------|------|
| AGNISYSL | 25.8 | 32.7 | -21.1% | 1,872 | 739.1 | 24.1x | 1.6x |
| MATINSPINN | 46.3 | 57.2 | -19.1% | 4,514 | 66.3 | 11.3x | 0.8x |
| SPCERAMICS | 12.0 | 14.2 | -15.5% | 1,764 | 95.9 | NM | 0.4x |
| ORIONPHARM | 37.0 | 42.6 | -13.1% | 8,658 | 267.3 | 44.0x | 0.4x |
| WMSHIPYARD | 6.7 | 7.7 | -13.0% | 1,576 | 16.7 | NM | 0.4x |
| FEKDIL | 18.6 | 21.3 | -12.7% | 4,069 | 486.4 | 8.5x | 0.9x |
| BESTHLDNG | 19.4 | 21.9 | -11.4% | 20,549 | 166.9 | 17.9x | 0.4x |
| LEGACYFOOT | 47.1 | 52.8 | -10.8% | 2,029 | 51.7 | NM | 4.2x |
| MIRAKHTER | 30.7 | 34.4 | -10.8% | 3,708 | 6.5 | 12.5x | 0.6x |
| TOSRIFA | 17.8 | 19.9 | -10.6% | 1,210 | 16.4 | 37.9x | 0.6x |

Table 5: Top Ten Most Traded Shares

| Company Name | Close* | Open* | Δ% | Mcap** | Turnover** | PE | PB |
|--------------|--------|-------|--------|--------|------------|-------|-------|
| AGNISYSL | 25.8 | 32.7 | -21.1% | 1,872 | 739.1 | 24.1x | 1.6x |
| SONALIANSH | 255.4 | 269.1 | -5.1% | 2,771 | 651.3 | 79.1x | 4.1x |
| ISLAMIBANK | 53.0 | 57.3 | -7.5% | 85,330 | 547.5 | 18.3x | 1.2x |
| BSC | 91.3 | 100.2 | -8.9% | 13,926 | 541.2 | 4.8x | 0.8x |
| BXPHERMA | 79.8 | 89.2 | -10.5% | 35,600 | 508.1 | 5.9x | 0.7x |
| LOVELLO | 90.4 | 83.2 | +8.7% | 8,452 | 502.0 | 49.2x | 7.0x |
| FEKDIL | 18.6 | 21.3 | -12.7% | 4,069 | 486.4 | 8.5x | 0.9x |
| FINEFOODS | 214.2 | 175.1 | +22.3% | 2,993 | 455.8 | NM | 18.0x |
| MIDLANDBNK | 35.5 | 34.1 | +4.1% | 22,708 | 389.6 | 20.5x | 2.5x |
| BEACHHATCH | 97.6 | 90.0 | +8.4% | 4,041 | 378.7 | 50.6x | 7.8x |

Table 6: Most Appreciated YTD in BRAC EPL Universe

| Company Name | Close* | YTD %Δ | Mcap** | PE | PB |
|--------------|---------|--------|---------|-------|-------|
| ISLAMIBANK | 53.0 | +62.6% | 85,330 | 18.3x | 1.2x |
| BRACBANK | 49.6 | +52.4% | 87,778 | 7.9x | 1.2x |
| UNILEVERCL | 2,615.6 | +29.5% | 50,414 | 68.6x | 21.5x |
| GP | 318.2 | +11.0% | 429,665 | 12.1x | 7.4x |
| PRIMEBANK | 23.3 | +11.0% | 26,382 | 4.2x | 0.7x |
| CITYBANK | 21.5 | +10.5% | 28,962 | 4.0x | 0.7x |
| JAMUNAOIL | 186.2 | +10.5% | 20,561 | 5.1x | 0.9x |
| MPETROLEUM | 216.0 | +8.8% | 23,375 | 4.0x | 0.9x |
| MJLBD | 93.1 | +7.4% | 29,490 | 9.9x | 1.8x |
| SOURPHARMA | 221.8 | +5.5% | 196,615 | 9.4x | 1.5x |

*BDT

*BDT Mn

Table 7: Sector Indices

| Sector Name | Week Close* | Week Open* | Year Open* | Δ% Week | Δ% YTD |
|------------------------|-------------|------------|------------|---------|---------|
| Bank | 1,449.6 | 1,494.3 | 1,455.32 | -2.99% | -0.39% |
| NBFI | 1,286.9 | 1,282.4 | 1,902.52 | +0.35% | -32.36% |
| Mutual Fund | 595.4 | 617.2 | 876.90 | -3.53% | -32.10% |
| General Insurance | 2,855.4 | 2,950.3 | 3,489.09 | -3.22% | -18.16% |
| Life Insurance | 1,964.7 | 1,970.2 | 2,637.78 | -0.28% | -25.52% |
| Telecommunication | 5,001.3 | 5,134.2 | 4,945.60 | -2.59% | +1.13% |
| Pharmaceutical | 2,937.0 | 3,021.4 | 3,732.58 | -2.79% | -21.32% |
| Fuel & Power | 1,133.5 | 1,179.3 | 1,691.80 | -3.89% | -33.00% |
| Cement | 1,997.7 | 2,038.3 | 2,523.22 | -1.99% | -20.83% |
| Services & Real Estate | 1,032.7 | 1,105.6 | 1,518.57 | -6.59% | -31.99% |
| Engineering | 2,489.3 | 2,553.4 | 4,520.40 | -2.51% | -44.93% |
| Food & Allied | 16,986.8 | 17,455.3 | 21,180.76 | -2.68% | -19.80% |
| IT | 1,999.6 | 2,074.7 | 2,894.80 | -3.62% | -30.92% |
| Textile | 1,079.4 | 1,122.7 | 1,658.23 | -3.85% | -34.90% |
| Paper & Printing | 4,054.4 | 4,290.7 | 10,093.63 | -5.51% | -59.83% |
| Tannery | 1,960.0 | 1,991.4 | 3,103.94 | -1.57% | -36.85% |
| Jute | 15,663.7 | 15,893.7 | 17,683.51 | -1.45% | -11.42% |
| Ceramics | 353.0 | 366.2 | 694.56 | -3.60% | -49.17% |
| Miscellaneous | 4,202.3 | 4,252.3 | 4,265.32 | -1.17% | -1.48% |

Table 8: Sector Trading Matrix

| Sector Name | Daily Avg this Week | Daily Avg last Week | % Change | % of Total Turnover | PE | PB |
|------------------------|---------------------|---------------------|----------|---------------------|-------|------|
| Bank | 593.7 | 625.9 | -5.14% | +13.32% | 8.7x | 0.7x |
| NBFI | 204.1 | 194.0 | +5.20% | +4.58% | NM | NM |
| Mutual Fund | 86.1 | 73.8 | +16.63% | +1.93% | NM | 0.5x |
| General Insurance | 437.3 | 353.9 | +23.59% | +9.81% | 14.8x | 1.2x |
| Life Insurance | 234.5 | 131.4 | +78.43% | +5.26% | NM | NM |
| Telecommunication | 91.6 | 131.9 | -30.60% | +2.05% | 13.9x | 4.2x |
| Pharmaceutical | 610.6 | 792.2 | -22.92% | +13.70% | 14.2x | 1.5x |
| Fuel & Power | 188.7 | 432.1 | -56.33% | +4.23% | 14.6x | 0.6x |
| Cement | 79.0 | 54.7 | +44.42% | +1.77% | 16.0x | 2.0x |
| Services & Real Estate | 159.5 | 252.3 | -36.77% | +3.58% | 18.9x | 0.4x |
| Engineering | 277.3 | 357.2 | -22.38% | +6.22% | 12.3x | 0.9x |
| Food & Allied | 413.4 | 318.9 | +29.64% | +9.27% | 16.6x | 4.4x |
| IT | 295.0 | 192.6 | +53.23% | +6.62% | 19.5x | 1.7x |
| Textile | 389.2 | 469.6 | -17.13% | +8.73% | 88.8x | 0.7x |
| Paper & Printing | 39.8 | 43.7 | -8.94% | +0.89% | NM | 0.8x |
| Tannery | 26.5 | 32.6 | -18.71% | +0.59% | 66.9x | 1.5x |
| Jute | 131.2 | 92.3 | +42.19% | +2.94% | NM | NM |
| Ceramics | 30.3 | 57.8 | -47.57% | +0.68% | NM | 1.0x |
| Miscellaneous | 170.6 | 345.2 | -50.58% | +3.83% | 40.6x | 1.8x |

Table 9: Least Appreciated YTD in BRAC EPL Universe

| Company Name | Close* | YTD %Δ | Mcap** | PE | PB |
|--------------|--------|--------|---------|-------|------|
| BBSCABLES | 16.3 | -67.3% | 3,451 | NM | 0.5x |
| IPDC | 19.8 | -63.9% | 7,715 | 24.6x | 1.1x |
| DOREENPWR | 23.6 | -61.3% | 4,274 | 15.8x | 0.5x |
| ACTIVEFINE | 8.1 | -58.0% | 1,943 | NM | 0.4x |
| WALTONHIL | 487.0 | -53.5% | 147,526 | 11.3x | 1.3x |
| BARKAPOW | 10.1 | -52.6% | 2,378 | 9.9x | 0.4x |
| SUMITPOWER | 16.3 | -52.1% | 17,406 | 23.0x | 0.4x |
| IFADAUTOS | 21.3 | -51.7% | 5,657 | NM | 0.6x |
| TITASGAS | 21.0 | -48.7% | 20,774 | NM | 0.2x |
| KPCL | 13.7 | -48.5% | 5,445 | NM | 0.7x |

Important News: Business, Economy & Sector

Govt approves two hard-term loans worth USD 260 Mn

- The interim government on Wednesday approved two hard-term credits worth USD 260 Mn to invest in power transmission, road and terminal development, officials said.

<https://today.thefinancialexpress.com.bd/first-page/govt-approves-two-hard-term-loans-worth-260m-1732124393>

Cenbank raises limit for private travel foreign currency exchange

- The Foreign Exchange Policy Department (FEPD) of Bangladesh Bank has issued three new directives concerning foreign currency exchanges for private travel entitlements through licensed money changers.

<https://tbsnews.net/economy/banking/cenbank-raises-limit-private-travel-foreign-currency-exchange-998451>

Focus now on one exemplary economic zone, not 100

- According to Ashik Chowdhury, executive chairman of the Bangladesh Economic Zones Authority (Beza), Bangladesh will focus on properly setting up one economic zone instead of 100, offering all amenities and utilities and complying with environmental standards.

<https://www.thedailystar.net/business/news/focus-now-one-exemplary-economic-zone-not-100-3757896>

NBFI | How some non-banks tamed bad loans

- Good governance, selection of diligent borrowers and proper risk management have helped secure the low ratio, according to top executives of the NBFIs.

<https://www.thedailystar.net/business/news/how-some-non-banks-tamed-bad-loans-3757926>

BANK | Moody's takes negative rating action on 6 Bangladeshi banks, following sovereign downgrade

- Moody's Ratings has taken rating actions on six Bangladeshi banks, including BRAC Bank, City Bank, Dutch-Bangla Bank, Eastern Bank, Mercantile Bank and Premier Bank. The rating agency has downgraded BRAC's long-term (LT) local currency (LC) and foreign currency (FC) deposit ratings to B2 from B1.

<https://www.tbsnews.net/economy/moodys-takes-negative-rating-action-6-bangladeshi-banks-following-sovereign-downgrade-998106>

Govt hopes to receive USD 1 Bn loan from IMF this fiscal year: Finance secy

- Bangladesh hopes to receive USD 1 Bn from the International Monetary Fund (IMF) this year, and additional support has also been requested for the current three-year loan program with the global lender, said Finance Secretary Dr Muhammad Khairuzzaman Mozumder today (19 November).

<https://www.tbsnews.net/economy/govt-hopes-receive-1b-loan-imf-fiscal-year-finance-secy-997086>

NBR to gradually rationalise 60 tariff lines by 2026

- The National Board of Revenue (NBR) has taken a move to gradually rationalise and bring under the bound rate by 2026 some 60 tariff lines where the addition of customs duty and other duties and charges exceed the bound tariff.

<https://www.tbsnews.net/nbr/nbr-gradually-rationalise-60-tariff-lines-2026-996826>

Bangladesh loses USD 335 Mn a year for corporate tax abuse

- Bangladesh is losing USD 355 Mn in tax annually because of outward profit shifting by the corporates, particularly multinational firms, and abuses by individuals who have wealth, especially in tax havens.

<https://www.thedailystar.net/business/news/bangladesh-loses-335m-year-corporate-tax-abuse-3756966>

RMG | RMG exports to EU log 2.47% neg growth

- Apparel exports to the EU between January and September fetched EUR 13.43 Bn compared to EUR 13.77 Bn during the corresponding period last year, according to Eurostat data.

<https://today.thefinancialexpress.com.bd/last-page/rmg-exports-to-eu-log-247pc-neg-growth-1732037582>

TRADE | Ctg port sees 9% growth in container handling in last 3 months

- Container handling at Chittagong port had increased by 9% in the last three months when a total of 0.831 Mn containers were handled in the port, Chittagong Port Authority (CPA) Chairman Rear Admiral SM Moniruzzaman said today (19 November).

<https://www.tbsnews.net/economy/ctg-port-sees-9-growth-container-handling-last-3-months-997346>

BANK | Now First Security, National, Exim banks get BDT 2.65 Bn liquidity support

- Cash-strapped Fast Security Islami Bank, National Bank, and Exim Bank received liquidity support of BDT 2.65 Bn today (19 November) from four private sector lenders under a Bangladesh Bank guarantee scheme.

<https://www.tbsnews.net/economy/banking/bangladesh-bank-provides-another-tk265cr-liquidity-guarantee-three-banks-997396>

BANK | Janata Bank's 61% loans soured mainly for Beximco, S Alam

- Once a financial powerhouse, the state-owned Janata Bank now finds itself in a difficult situation with non-performing loans (NPLs) surpassing 61% of its portfolio – a crisis resulting from unchecked lending to major conglomerates such as Beximco and S Alam groups, leaving the bank in existential crisis.

<https://www.tbsnews.net/economy/banking/janata-banks-61-loans-soured-mainly-beximco-s-alam-997791>

BANK | Bangladesh Bank bills make a comeback

- As part of the liquidity-mopping-up plan, aimed at inflation control, the banking regulator will hold auction of 30-day-tenure bills today (Wednesday) and on November 27.

<https://today.thefinancialexpress.com.bd/first-page/bangladesh-bank-bills-make-a-comeback-1732036451>

Moody's downgrades Bangladesh's ratings to B2, changes outlook to negative

- "The downgrade reflects heightened political risks and lower growth, which increases government liquidity risks, external vulnerabilities and banking sector risks, following the recent political and social unrest that led to a change in government," said Moody's.

<https://www.thedailystar.net/business/news/moodys-downgrades-bangladeshs-ratings-b2-changes-outlook-negative-3755706>

IMF fourth tranche: committee to review progress on loan conditions

- Amid the prevailing economic challenges, the implementation coordination committee is gearing up to assess progress on meeting the loan conditions of the International Monetary Fund, or IMF, aiming for the seamless release of the fourth tranche.

<https://thefinancialexpress.com.bd/economy/imf-fourth-tranche-committee-to-review-progress-on-loan-conditions>

Bida chief stresses structural reforms to improve investment climate

- "The benchmark for improvement is low, but this government's clear intent and determination provide an opportunity to enact meaningful changes," said the Bida executive chairman, who was also the chief guest at the workshop.

<https://www.tbsnews.net/economy/bida-chief-stresses-structural-reforms-improve-investment-climate-996456>

BANK | Banks asked to ensure smooth exchange of coins

- The central bank issued this directive after learning that although lenders store a specified amount of coins in their vault, they do not exchange them as they misinterpreted a previous instruction to this end.

<https://www.thedailystar.net/business/news/banks-asked-ensure-smooth-exchange-coins-3756076>

BANK | BB won't shut down companies like S Alam Group, Beximco: Mansur

- The Bangladesh Bank (BB) is taking action against individuals, not companies like S Alam Group and Beximco, as these companies are considered national assets, BB Governor Ahsan H Mansur said today (18 November).

<https://www.tbsnews.net/economy/banking/bb-wont-shut-down-companies-s-alam-group-beximco-mansur-996251>

RMG | Janata Bank turns down Beximco's request for funds

- Janata Bank has rejected the Beximco Group's request for a BDT 600 Mn loan to pay employees' salaries for October, according to a letter sent to the finance ministry by the bank. In the letter, the bank's Chairman M Fazlur Rahman states that Janata Bank is not in a position to take on the financial risk that new funding would entail.

<https://www.tbsnews.net/economy/banking/janata-bank-turns-down-beximcos-request-funds-996786>

Economic expectations: Did govt fall short?

- When an interim government was sworn into office following the ouster of the Awami League regime just 100 days ago, there was an air of expectation that the Prof Muhammad Yunus-led administration would take steps to salvage a scam-ridden financial sector and rescue an ailing economy.

<https://www.thedailystar.net/business/news/economic-expectations-did-govt-fall-short-3755231>

Deadline for tax return submission extended to Dec 31

- The deadline for individual taxpayers to file their tax returns has been extended by a month by the National Board of Revenue (NBR). The previous deadline was November 30.

<https://www.thedailystar.net/business/economy/news/deadline-tax-return-submission-extended-dec-31-3754971>

Upcoming reforms by govt to attract FDI in major sectors like renewables, ICT: Experts

- The interim government has initiated several reforms which are likely to attract foreign direct investment (FDI) in some of the country's high-potential sectors, according to experts at a town hall conference held today.

<https://www.tbsnews.net/economy/upcoming-reforms-govt-attract-fdi-major-sectors-renewables-ict-experts-995701>

Japanese envoy urges better business climate for EPA benefits

- Outgoing Japanese Ambassador Iwama Kiminori on Sunday called for improving the business environment in all aspects as a fundamental requirement for a new chapter of relations between Japan and Bangladesh to reap the benefits of the economic partnership agreement (EPA).

<https://thefinancialexpress.com.bd/national/japanese-envoy-urges-better-business-climate-for-epa-benefits>

Graft biggest obstacle to doing business

- More than 16% of Bangladeshi businesses identified corruption as the biggest obstacle to their operations, according to a survey conducted between April and July of this year.

<https://www.thedailystar.net/business/news/graft-biggest-obstacle-doing-business-3755251>

Inflation, economic downturn, poverty, inequality top risks for next 2 years: Survey

- Businesses have identified inflation, economic downturn, poverty and inequality as the top risks the country will face in the next two years, according to a new survey by the Centre for Policy Dialogue (CPD).

<https://www.tbsnews.net/economy/inflation-economic-downturn-poverty-inequality-are-top-3-risks-next-2-years-cpd-995251>

SMEs bear the full brunt of financial hardship

- Small and medium enterprises (SMEs) in Bangladesh are struggling due to political uncertainty, high inflation and rising interest rates on bank loans, according to entrepreneurs. Many entrepreneurs report that they had little choice but to lay off employees and delay salary payments.

<https://www.thedailystar.net/business/news/smes-bear-the-full-brunt-financial-hardship-3755241>

TANNERY | Leather footwear exports hit 5-year high in Jul-Oct

- Bangladesh is sending more leather footwear to foreign markets like the United States, Japan and the European Union as the country's footwear exports during the July-October period of the current fiscal year surged to a five-year high.

<https://www.thedailystar.net/business/news/leather-footwear-exports-hit-5-year-high-jul-oct-3755236>

BANK | Agrani Bank leads in remittance growth in September

- Agrani Bank emerged as the star performer with a remarkable USD 322.12 Mn in September, marking a 232% surge from USD 96.89 Mn in August.

<https://www.thedailystar.net/business/news/agrani-bank-leads-remittance-growth-september-3755191>

AUTOMOBILE | 4 listed automobile companies report losses in Q1

- Four listed automobile companies incurred losses during the July-September quarter of the current fiscal year 2024-25, primarily due to sluggish demand, high taxes and increased interest burdens on loans.

<https://www.tbsnews.net/economy/stocks/4-listed-automobile-companies-report-losses-q1-995696>

BANK | MFS accounts increase by nearly 20 Mn in one year

- Mobile financial service (MFS), accounts in Bangladesh have surged by nearly 20 Mn, marking an 8.71% increase over the past year.

<https://thefinancialexpress.com.bd/trade/mfs-accounts-increase-by-nearly-20m-in-one-year>

BANK | Default loan reaches record high of BDT 2.85 Tn

- Non-performing loans (NPLs) in Bangladesh's banking sector soared to a historic BDT 2.85 Tn in September, accounting for around 17% of total outstanding loans.

<https://www.thedailystar.net/business/news/default-loan-reaches-record-high-tk-285-lakh-crore-3754896>

IT | Single-band Wi-Fi routers to be phased out in Bangladesh by 2025

- The new regulation mandates that all Wi-Fi routers manufactured locally or imported into Bangladesh must support dual-band frequencies, covering both the 2.4 and 5.8 GHz ranges.

<https://www.thedailystar.net/tech-startup/news/single-band-wi-fi-routers-be-phased-out-bangladesh-2025-3755221>

Budget support from WB, ADB: USD 1.1 Bn loan likely by December

- The World Bank and the Asian Development Bank are preparing to submit proposals to their boards for USD 1.1 Bn in budget support for Bangladesh.

<https://www.thedailystar.net/business/economy/news/budget-support-wb-adb-11b-loan-likely-december-3753801>

Bangladesh, Japan agree to ink EPA to deepen trade ties

- Bangladesh and Japan have agreed to sign the Economic Partnership Agreement (EPA) by the end of 2025 or early 2026 to deepen and expand bilateral trade and investment relations between the two nations.

<https://www.tbsnews.net/economy/bangladesh-japan-agree-ink-epa-deepen-trade-ties-993636>

Govt moves to cut budget size

- The interim government is going to curtail its expenditure focusing on the budget for 2024-25 in order to keep fiscal pressure within its control, contain inflation.

<https://www.thedailystar.net/business/news/govt-moves-cut-budget-size-3753381>

Country not in financial crisis, but faces challenges: finance adviser

- Finance Adviser Prof Dr Salehuddin Ahmed has said that the country is not in a financial crisis, but there are some political and economic challenges due to internal and external factors.

<https://www.thedailystar.net/business/economy/news/country-not-financial-crisis-faces-challenges-finance-adviser-3754251>

RMG | Listed textile giants show resilience amidst challenges

- Despite challenges like political turmoil, economic uncertainty, and worker unrest, listed giant textile companies reported year-on-year revenue growth for the September quarter.

<https://www.tbsnews.net/economy/listed-textile-giants-show-resilience-amidst-challenges-994941>

FOOD & ALLIED | Govt working to reopen shuttered sugar mills

- The interim government is working to restart sugar production at six state-run mills that were shut down during the previous regime, according to Industries Adviser Adilur Rahman Khan.

<https://www.thedailystar.net/business/economy/news/govt-working-reopen-shuttered-sugar-mills-3754386>

PHARMACEUTICALS | Most top drugmakers diverge from double-digit growth trajectory

- Square Pharmaceuticals – the country's leading drug manufacturer – reported its first-ever revenue decline for the July-September quarter. Other top-listed pharmaceutical companies, including Beximco Pharma, ACME Laboratories, and Renata, also failed to achieve the usual double-digit revenue growth seen in the sector since 2014.

<https://www.tbsnews.net/economy/stocks/most-top-drugmakers-diverge-double-digit-growth-trajectory-993221>

TRADE | Businesses lose interest in Pangaon ICT for high costs

- Businesses are losing interest in transporting containerised cargo to and from Chattogram port via Pangaon Inland Container Terminal (ICT) on the Buriganga river in the capital's Keraniganj thanks to its high inland water transport costs, lengthy customs clearance and other obstacles.

<https://www.thedailystar.net/business/economy/news/businesses-lose-interest-pangaon-ict-high-costs-3754411>

BANK | Provide liquidity to weak banks or shut them

- Depositors are now being affected as ailing banks are unable to return their money, experts said during a discussion, adding that the central bank should keep crisis-hit banks alive by providing liquidity support, opting to liquidate weak lenders or merging them with sound ones.

<https://www.thedailystar.net/business/economy/banks/news/provide-liquidity-weak-banks-or-shut-them-3754406>

Important News: Stocks

BRACBANK | BRAC Bank's deposit grows by BDT 100 Bn in 10 months

- BRAC Bank's deposit grew by BDT 100 Bn in the first 10 months of the year despite a challenging environment, showcasing the bank's strong market presence and customer trust, according to a press release.

<https://today.thefinancialexpress.com.bd/stock-corporate/brac-banks-deposit-grows-by-tk-100b-in-10-months-1732120929>

SIBL | Social Islami Bank has no 'untraceable' loans

- Social Islami Bank PLC stands out among crisis-hit banks with no "untraceable" loans, a factor that will catalyse its swift recovery, according to M Sadiqul Islam, the new chairman of the Shariah-based lender.

<https://www.thedailystar.net/business/news/social-islami-bank-has-no-untraceable-loans-3757916>

BDSERVICE | InterContinental owner posts nine straight years of losses

- State-owned Bangladesh Services Limited, the owner of InterContinental Dhaka, has suffered losses for nine consecutive years. In fiscal 2023-24, the company – listed on the capital market in 1984 – reported a loss of BDT 780 Mn and did not declare any dividends for its shareholders.

<https://www.tbsnews.net/economy/stocks/intercontinental-owner-posts-nine-straight-years-losses-998586>

MONNOCERA | Monno Ceramic's profit plunges 89% in Q1

- The profit in the July-September period amounted to BDT 3.017 Mn, down by a significant 89% year-on-year. Earnings per share for the three-month period fell to BDT 0.08, according to a recent disclosure on Dhaka Stock Exchange (DSE).

<https://www.thedailystar.net/business/news/monno-ceramics-profit-plunges-89-q1-3757446>

DOREENPWR | Doreen Power posts 17% drop in profit

- Doreen Power Generations and Systems has witnessed a year-on-year drop in its profit in the first quarter of the current fiscal year, reasoning that its power plants had been shut down and costs had soared.

<https://www.thedailystar.net/business/news/doreen-power-posts-17-drop-profit-3757306>

BEXIMCO | Govt to lend BDT 600 Mn to Beximco to clear wages

- The government will lend BDT 600 Mn to Beximco from the national budget in a bid to help the troubled conglomerate clear wages for the month of October. The labour and employment ministry will provide BDT 100 Mn while the finance ministry will fund the rest.

<https://www.thedailystar.net/business/news/govt-lend-tk-60cr-beximco-clear-wages-3757911>

BDTHAIFOOD | BD Thai Food's profit hits rock bottom due to hefty Q4 loss

- It reported a profit of BDT 38.88 Mn for the nine months through March this year, while the annual profit fell to a mere BDT 1.63 Mn by the end of FY24.

<https://today.thefinancialexpress.com.bd/stock-corporate/bd-thai-foods-profit-hits-rock-bottom-due-to-hefty-q4-loss-1732120701>

EXCHANGE | First-ever CenBank guidelines for foreign joint ventures stress accountability, transparency

- The Bangladesh Bank has issued the first-ever comprehensive guidelines for joint ventures or consortiums or associations (JVCA) with foreign partners in Bangladesh, aiming to streamline operations, ensure accountability, and promote transparency.

<https://www.tbsnews.net/economy/banking/first-ever-cenbank-guidelines-foreign-joint-ventures-stress-accountability>

EXCHANGE | Stock market faces BDT 97 Bn negative equity burden

- Despite only 15% of Bangladeshi stock market investors using margin loans, negative equity in these accounts has swelled to over BDT 97 Bn, equivalent to 56% of all outstanding investor loans gone sour – a situation that has left brokerage firms and merchant banks scrambling, according to a BSEC document seen by TBS.

<https://www.tbsnews.net/economy/stocks/stock-market-faces-tk9700cr-negative-equity-burden-998611>

ACI | ACI logs BDT 1.55 Bn loss in Shwapno, foods, plastics, healthcare

- ACI Limited reported a pre-tax loss of BDT 1.55 Bn in its retail chain Shwapno, foods, consumer plastics, and healthcare businesses during the July-September quarter. The conglomerate, however, achieved a pre-tax profit of BDT 1.30 Bn from its pharmaceuticals, animal health, consumer brands, crop care and public health, motors, pure flour, salt, and flexible packaging segments.

<https://www.tbsnews.net/economy/stocks/aci-logs-tk155cr-loss-shwapno-foods-plastics-healthcare-996706>

UNIONBANK, FIRSSTBANK | Union Bank, First Security Islami Bank take action against 456 officials over irregularities, loans to S Alam

- Authorities of the Union Bank and First Security Islami Bank (FSIB) have taken decisive action against 456 officials implicated in irregularities in their recruitment as well as issuing fraudulent loans to the S Alam Group.

<https://www.tbsnews.net/economy/banking/first-security-islami-bank-withdraws-194-officials-over-money-laundering-loans-s>

SOUTHEASTB | Southeast Bank's former chairman Alamgir Kabir fined BDT 120 Mn for selling shares based on PSI

- Alamgir Kabir, former chairman and current director of Southeast Bank PLC, has been fined BDT 120 Mn for selling shares of Bay Leasing and Investment based on price-sensitive information (PSI).

<https://www.tbsnews.net/economy/stocks/southeast-banks-former-chairman-alamgir-kabir-fined-tk12cr-selling-shares-based-psi>

EXCHANGE | BSEC seeks 5-year tax holiday for IPOs with 30% free-float

- To attract financially robust companies, the stock market regulator has proposed a five-year full corporate tax exemption for firms that will offload at least 30% of their shares on stock exchanges through initial public offerings (IPOs).

<https://www.tbsnews.net/economy/stocks/bsec-seeks-5-year-tax-holiday-ipos-30-free-float-997706>

EXCHANGE | Fixed-income mutual funds gain traction when equity struggles

- Bangladesh's equity-focused mutual fund industry has also entered the scene, offering a robust fixed income window for clients who are cheering a 9%-10% return in a turbulent year.

<https://www.tbsnews.net/economy/stocks/fixed-income-mutual-funds-gain-traction-when-equity-struggles-997701>

EXCHANGE | BDT 20 Bn bond issuance by 5 banks okayed by BSEC

- The Bangladesh Securities and Exchange Commission (BSEC) yesterday approved the issuance of subordinated bonds totalling BDT 20 Bn by five banks to strengthen their Tier-2 capital base.

<https://www.tbsnews.net/economy/stocks/tk2000-crore-bond-issuance-5-banks-okayed-bsec-997781>

EXCHANGE | Minhaz Mannan Emon elected DSE director unopposed

- Minhaz Mannan Emon, managing director of BLI Securities, has been elected unopposed as a shareholder director on the board of the Dhaka Stock Exchange (DSE) for a three-year term.

<https://www.tbsnews.net/economy/stocks/minhaz-mannan-emon-elected-dse-director-unopposed-997736>

WALTONHIL | Walton inks deal with Sri Lankan firm for market expansion

- Walton Hi-Tech Industries has inked a deal with Monik Trading Private Ltd, a Sri Lankan company, to develop joint brands and expand market reach. A memorandum of understanding (MoU) was signed with Monik Trading to this end, Walton said in a disclosure on the Dhaka Stock Exchange (DSE) yesterday.

<https://www.thedailystar.net/business/news/walton-inks-deal-sri-lankan-firm-market-expansion-375551>

KPCL | Khulna Power's Q1 profit plunges 72%

- Khulna Power Company Ltd reported a substantial profit decline in the first quarter of the current financial year, primarily due to power plant shutdowns linked to unresolved agreements with the Bangladesh Power Development Board (BPDB).

<https://www.thedailystar.net/business/news/khulna-powers-q1-profit-declines-72-3755711>

TECHNODRUG | Techno Drugs' post-IPO profit plunges 24% in Q1

- Newly-listed Techno Drugs endured a 24% year-on-year decrease in profit to BDT 78 Mn in the first quarter through September of FY25, mainly due to lower sales for dwindling demand from the government.

<https://thefinancialexpress.com.bd/stock/bangladesh/techno-drugs-post-ipo-profit-plunges-24pc-in-q1>

ISLAMIBANK | Islami Bank to realise BDT 100 Bn by selling S Alam Group's stake

- Islami Bank Bangladesh plans to sell the S Alam Group's stake in the bank to realize dues of around BDT 100 Bn from the controversial conglomerate. According to bank officials, the Chattogram-based group and associated companies have taken out around BDT 800 Bn in loans through 17 branches of Islami Bank since 2015.

<https://www.thedailystar.net/business/news/islami-bank-realise-tk-10000cr-selling-s-alam-groups-stake-3756086>

EXCHANGE | Falling global interest rates, market reforms drive up foreign investments

- The equity market has been showing signs of a return of foreign investors since the August political changeover. According to market analysts, the renewed interest in the stocks is largely driven by reform measures taken by the interim government across the economy.

<https://today.thefinancialexpress.com.bd/stock-corporate/falling-global-interest-rates-market-reforms-drive-up-foreign-investments-1731946644>

SQUARETEXT | Square Textiles post BDT 370 Mn profit in Q1

- Its profit after tax stood at BDT 374.4 Mn during the first quarter of its financial year 2024-25, reflecting over 5% year-on-year growth. The company attributed the improved performance to increased yarn production from its new Habibganj project, and Balancing, Modernization, Rehabilitation and Expansion (BMRE) of its Gazipur facility as well as operations at Square Texcom Ltd.

<https://www.thedailystar.net/business/news/square-textiles-post-tk-37cr-profit-q1-3754786>

ICB | How ICB recovers big losses in final quarter

- The Investment Corporation of Bangladesh (ICB), a state-owned entity primarily responsible for stock investments, made a significant comeback, ending the year in the green by recovering its previous losses that occurred in the nine months of 2023-24.

<https://www.tbsnews.net/economy/stocks/how-icb-recovers-big-losses-final-quarter-995801>

FORTUNE | Fortune Shoes' BDT 100 Mn dividend disbursement remains overdue

- Fortune Shoes Limited has failed to disburse dividends totalling around BDT 100 Mn for the fiscals 2021-22 and 2022-23 within the stipulated time, according to the company's auditor.

<https://www.tbsnews.net/economy/stocks/fortune-shoes-tk10cr-dividend-disbursement-remains-overdue-995681>

BEXIMCO | Beximco labour unrest to end if administrator takes control: Labour Secretary

- Labour and Employment Secretary AHM Shafiquzzaman said on Sunday that the ongoing labour unrest at Beximco industrial group will be resolved once an administrator takes full control.

<https://thefinancialexpress.com.bd/national/beximco-labour-unrest-to-end-if-administrator-takes-control-labour-secretary>

UPGDCL | United Power posts 127% profit growth in first quarter

- United Power Generation and Distribution Company Ltd (UPGDCL) posted a massive rise in profit in the first quarter, driven by higher tariffs and stable forex rates.

<https://www.thedailystar.net/business/news/united-power-posts-127-profit-growth-first-quarter-3752706>

ORIONPHARM, ORIONINFU | Two Orion concerns saw contrasting earnings in FY24

- Orion Pharma and Orion Infusion, two listed concerns Orion Group, posted contrasting financial results for the fiscal year that ended on June 30, 2024

<https://www.thedailystar.net/business/news/two-orion-concerns-saw-contrasting-earnings-fy24-3752761>

BPML | Bashundhara Paper incurs loss of BDT 310 Mn in Jul-Sep

- Bashundhara Paper Mills, a concern of the Bangladeshi conglomerate Bashundhara Group, which manufactures paper and diversified tissue products, reported a loss of BDT 310 Mn in the July-September quarter of the current fiscal year.

<https://www.tbsnews.net/economy/stocks/bashundhara-paper-incurs-loss-tk31cr-jul-sep-994951>

SQURPHARMA | Square Pharma sees rare drop in sales

- Sales of Square Pharmaceuticals, the largest drug producer in Bangladesh, dropped slightly to BDT 17.74 Bn in the July-September period of the current fiscal, down 0.36% year-on-year, amid the recent political changeover.

<https://www.thedailystar.net/business/news/square-pharma-sees-rare-drop-sales-3753131>

TITASGAS | Titas Gas suffers losses amid rising system loss, high tax burden

- Titas Gas Transmission and Distribution PLC, a publicly traded state-owned company, reported losses in the July-September quarter, attributing the setback to rising system losses and the recognition of tax at source as minimum tax.

<https://www.tbsnews.net/economy/stocks/titas-gas-suffers-losses-amid-rising-system-loss-high-tax-burden-994826>

ACI | ACI's loss jumps 168% in Jul-Sep

- Advanced Chemical Industries (ACI) Limited has reported that its consolidated loss jumped by 168% to BDT 420 Mn in the January-September quarter of this fiscal year.

<https://www.tbsnews.net/economy/stocks/acis-loss-jumps-168-jul-sep-993121>

UNIONBANK | Union Bank hopes to regain strength soon

- Union Bank's overall performance has steadily improved after the Bangladesh Bank (BB) restructured its board in August this year. The central bank on August 27 formed a five-member board of directors to operate the bank, with former Islami Bank's managing director Fariduddin Ahmed as chairman.

<https://thefinancialexpress.com.bd/stock/bangladesh/union-bank-hopes-to-regain-strength-soon>

DESCO | Costly dollar pushes Desco into loss again

- Dhaka Electric Supply Company Limited (Desco), a state-owned electricity provider, took a hit again as it posted a net loss of BDT 322.4 Mn in the first quarter of the current fiscal year, primarily due to foreign currency fluctuation losses.

<https://www.tbsnews.net/bangladesh/energy/costly-dollar-pushes-desco-loss-again-993226>

EXCHANGE | Dhaka bourse plans overhaul of market monitoring

- Prevention of stock price manipulation and security of investments are must to ensure investors' fearless participation in the equity market. Chairman of the Dhaka bourse says he looks to stop stock manipulation, ensure safety of investments with the help of new technologies.

<https://thefinancialexpress.com.bd/stock/bangladesh/dhaka-bourse-plans-overhaul-of-market-monitoring>

EXCHANGE | BSEC fines Loutful Goni, associates for irregularities

- The Bangladesh Securities and Exchange Commission (BSEC) has imposed a total fine of BDT 2 Mn on investor M Loutful Goni Titu and his associates for irregularities in the share trading of Karnaphuli Insurance Company.

<https://www.tbsnews.net/economy/stocks/bsec-fines-loutful-goni-associates-irregularities-993196>

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