

## Weekly Market Update

### Capital Market Overview

The market closed in red this week. The benchmark index DSEX (-0.78%) lost -51.11 points and closed the week at 6,512.89 points. The blue-chip index DS30 (-1.49%) lost -35.27 points and stood at 2,330.42 points. The Shariah-based index DSES (-1.18%) lost -17.00 points and stood at 1,419.73 points. The large cap index CDSET (-1.29%) lost -16.58 points and closed at 1,269.15 points. DSEX, DS30, DSES and CDSET showed YTD returns of -3.61%, -7.98%, -0.80%, -6.62%, respectively.

**Total Turnover During the Week (DSE):** BDT 73.1 billion (USD 701 million)

**Average Daily Turnover Value (ADTV):** BDT 14.6 billion (Δ% Week: -27.7%)

**Market P/E:** 16.0x

### Daily Index Movement during the Week

Market performed five sessions during this week. Market started on a negative note (-0.74%) on Sunday. It remained negative on Monday (-0.06%) and Tuesday (-0.34%). However, it turned positive on Wednesday (+0.11%). Lastly, market ended on a positive note (+0.25%) on Thursday.

### Sectoral Performance

• Financial sectors posted mixed performance this week. NBF1 booked the highest gain of 0.44% followed by Mutual Fund (0.00%). General Insurance experienced the highest loss of 0.95% followed by Life Insurance (-0.60%), Bank (-0.08%).

• All the non-financial sectors registered negative performance this week. Fuel & Power experienced the highest loss of 2.13% followed by Pharmaceutical (-2.09%), Engineering (-0.22%), Telecommunication (-0.17%), and Food & Allied (-0.06%).

### Macroeconomic arena

• NFBIs demand withdrawal of cap on deposit interest. Bangladesh Bank sets cost ceiling for short-term trade finance in forex. Bangladesh unlikely to get additional LNG from Qatar before 2025. Cabinet purchase body okays import of 90,000 tonnes of fertiliser. Finance prepares to-do list to offset effects of global slowdown. Weak institutions challenge to next phase of growth financing: WB. 'Bangladesh likely to get USD12.0 Bn to USD15.0 Bn loan support from ADB over next five years'. Currency, BoP odds affecting economy. Banks prefer gov bonds to private sector lending. Private sector credit gallops to 14% amid rising inflation. Cash outside banks surges to record BDT2420 Bn. Divide 140 tanneries in 3 categories. GSP+ in EU market next big factor for Bangladesh's economic growth: Envoy. Private foreign borrowings fall, investment slows. BB cuts interest on RMG loans. Japan may extend USD600 Mn as budget support. Bangladesh Bank re-fixes interest rate on pre-finance facility under SREUP. Liberal trade could boost Bangladesh's GDP by 14.8%: World Bank study.

• Exporters' demand ignored; banks cut dollar rate BDT0.50 for remittance. Bangladesh allocates 300 acres of land for Saudi companies in EPZ. Exports to EU may shrink by 30% after LDC graduation. Banks' sustainable finance doubles to BDT305.78 Bn. IDLC Finance approves BDT 5 Bn bond. Share of foreign loans at floating rates doubles in 4 years. Bangladesh, Cambodia to sign FTA. Bangladesh needs to revamp tariff rate, financial sector to fight global challenges: World Bank. Bangladesh-China bilateral trade crosses USD25 Bn. Interest waivers by private banks rise 12-fold in Apr-Jun. Transactions thru cards for int'l payment keep rising. Production of jute textiles slumps. USD2 Bn apparel market in reach in Japan, now target gets higher Banks' stock investment rises with spike in margin loan. Foreign aid release drops 24% in first two months of FY23. Govt curbs causing difficulties in capital machinery import: MCCI president. Bangladesh Bank platform eases local trade in foreign currency. Govt's foreign loans: Weak taka makes repayment costlier. 83.9% MIs faced Covid-induced business loss, says study.

### Stock Market arena

• Walton approves 250% dividend. RFL uPVC door maker allowed collecting BDT3 Bn through Sukuk. ACI, Patuakhali Science and Tech University ink MoU. One Bank, CCULB Resort sign MoU. Chartered Life Insurance to sell 2.25 Mn shares to employees. Paramount Textile given AA rating. EBL raises BDT1,224 Mn for TMSS. Subsidiaries help boost Doreen Power's profits by 43%. Orion Pharma, Beximco grab 25% of weekly turnover on DSE. Hosaf Group director to sell 37% of his holding in Pragati Life. Chartered Life's IPO opens today. BSEC looks into Progressive Life Insurance as claims remain unsettled. Asiatic Laboratories' IPO share bidding from Oct 1. Saif to run container vessels on UAE-Ctg. Asiatic Laboratores IPO bidding starts 10 October. AB Bank perpetual bond struggling for subscribers.

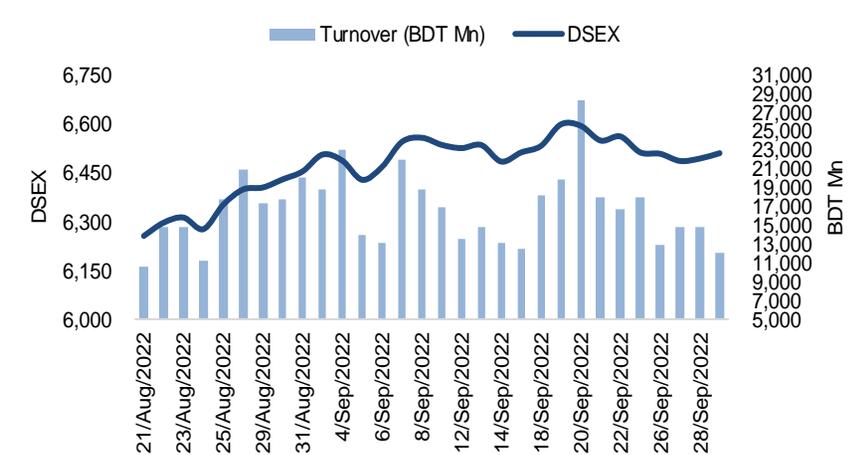
Table 1: Index

Index	Closing*	Opening*	Δ(Pts)	30-Dec-2021	Δ% Week	Δ% YTD
DSEX	6,512.89	6,564.00	-51.11	6,756.66	-0.78%	-3.61%
DS30	2,330.42	2,365.69	-35.27	2,532.58	-1.49%	-7.98%
DSES	1,419.73	1,436.72	-17.00	1,431.12	-1.18%	-0.80%
CDSET	1,269.15	1,285.73	-16.58	1,359.13	-1.29%	-6.62%

Table 2: Market Statistics

		This Week	Last Week	% Change
M cap	M n BDT	5,199,140	5,227,440	-0.5%
	M n USD	49,913	50,184	
Turnover	M n BDT	73,062	101,104	-27.7%
	M n USD	701	971	
Average Daily Turnover	M n BDT	14,612	20,221	-27.7%
	M n USD	140	194	
Volume	M n Shares	1,237	1,540	-19.7%

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
EHL	116.6	93.1	+25.2%	10,884	2,837.6	19.8x	16x
MONOSPOOL	230.0	185.4	+24.1%	2,159	453.9	42.2x	5.1x
BBS	30.8	26.2	+17.6%	5,018	1,544.5	27.6x	2.0x
ADNTEL	84.8	72.6	+16.8%	5,482	942.0	32.7x	3.2x
INTRACO	44.9	39.4	+14.0%	4,411	1,251.9	43.0x	3.8x
BDCOM	61.3	55.4	+10.6%	3,499	2,086.0	40.9x	4.0x
SPCERAMICS	55.7	50.6	+10.1%	8,186	1,958.9	NM	17x
YPL	25.0	22.9	+9.2%	1,842	428.9	NM	2.2x
KAY&QUE	284.1	261.4	+8.7%	1,462	76.6	NM	3.7x
APEXFOOT	304.1	282.1	+7.8%	3,592	161.7	27.3x	12x

**Table 4: Top Ten Losers**

Company Name	Close*	Open*	Δ%	Mcap**	Turnover**	PE	PB
ILFSL	6.0	6.7	-10.4%	1,331	53.2	NM	NM
BIFC	10.8	11.9	-9.2%	1,087	12.1	NM	NM
RDFOOD	39.0	42.3	-7.8%	2,963	279.1	26.2x	2.5x
BPPL	29.5	31.9	-7.5%	5,103	146.5	4.4x	10x
GBBPOWER	20.0	21.6	-7.4%	2,036	120.7	16.4x	10x
EPGL	35.5	38.3	-7.3%	6,751	148.1	25.5x	0.6x
ORIONPHARM	138.7	149.6	-7.3%	32,456	6,612.7	33.8x	17x
IBP	21.3	22.9	-7.0%	2,475	301.8	21.0x	15x
SPCL	93.8	100.8	-6.9%	16,833	1,378.7	12.5x	2.4x
BARKAPOW	22.0	23.6	-6.8%	5,180	63.8	6.7x	10x

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

Company Name	Close*	Open*	Δ%	Mcap**	Turnover**	PE	PB
ORIONPHARM	138.7	149.6	-7.3%	32,456	6,612.7	33.8x	17x
BEXIMCO	133.2	134.5	-1.0%	116,726	5,909.8	8.1x	15x
EHL	116.6	93.1	+25.2%	10,884	2,837.6	19.8x	16x
BSC	162.4	168.9	-3.8%	24,772	2,598.8	12.0x	2.3x
JHRML	133.9	131.5	+1.8%	16,777	2,559.7	45.2x	4.4x
UNIQUEHRL	74.9	74.4	+0.7%	22,051	2,267.8	25.6x	0.8x
BDCOM	61.3	55.4	+10.6%	3,499	2,086.0	40.9x	4.0x
SPCERAMICS	55.7	50.6	+10.1%	8,186	1,958.9	NM	17x
BBS	30.8	26.2	+17.6%	5,018	1,544.5	27.6x	2.0x
SAIFPOWER	33.9	32.8	+3.4%	12,860	1,379.9	16.2x	2.1x

**Table 6: Most Appreciated YTD in BRAC EPL Universe**

Company Name	Close*	YTD %Δ	Mcap**	PE	PB
IPDC	66.5	+72.3%	24,678	27.0x	3.9x
ADNTEL	84.8	+61.8%	5,482	32.7x	3.2x
UNIQUEHRL	74.9	+49.2%	22,051	25.6x	0.8x
SQUARETEXT	67.9	+30.1%	13,393	7.8x	15x
CROWNCEMNT	74.4	+19.6%	11,048	37.8x	14x
TRUSTBANK	34.9	+15.3%	27,166	10.5x	13x
EGEN	54.3	+14.3%	4,073	32.3x	2.5x
IBNSINA	306.4	+12.9%	9,573	15.8x	3.7x
TITASGAS	40.9	+12.7%	40,459	12.1x	0.6x
ACMELAB	96.9	+12.0%	20,504	10.3x	10x

**Table 7: Sector Indices**

Sector Name	Week Close*	Week Open*	Year Open*	Δ% Week	Δ% YTD
Bank	1,443.6	1,444.8	1,589.69	-0.08%	-9.19%
NBFI	2,021.1	2,012.2	2,327.63	+0.44%	-13.17%
Mutual Fund	854.3	854.3	882.99	-	-3.25%
General Insurance	3,156.2	3,186.5	4,698.62	-0.95%	-32.83%
Life Insurance	2,488.1	2,503.2	2,687.55	-0.60%	-7.42%
Telecommunication	4,955.9	4,964.3	5,800.37	-0.17%	-14.56%
Pharmaceutical	3,941.2	4,025.3	3,866.63	-2.09%	+1.93%
Fuel & Power	1,732.5	1,770.2	1,770.2	-2.13%	-3.37%
Cement	2,586.3	2,641.5	2,534.76	-2.09%	+2.03%
Services & Real Estate	1,929.3	1,850.9	1,309.43	+4.24%	+47.34%
Engineering	4,583.0	4,593.4	4,727.46	-0.22%	-3.06%
Food & Allied	21,383.1	21,396.8	25,222.81	-0.06%	-15.22%
IT	2,924.4	2,897.8	3,274.61	+0.92%	-10.70%
Textile	1,677.0	1,677.3	1,470.60	-0.02%	+14.03%
Paper & Printing	11,431.5	11,035.1	9,680.03	+3.59%	+18.09%
Tannery	3,146.8	3,146.2	3,236.76	+0.02%	-2.78%
Jute	10,534.7	10,528.1	8,747.84	+0.06%	+20.43%
Ceramics	745.5	727.0	675.88	+2.54%	+10.29%
Miscellaneous	4,680.9	4,719.0	4,625.39	-0.81%	+1.20%

**Table 8: Sector Trading Matrix**

Sector Name	Daily average this Week	Daily average last Week	% Change	% of Total Turnover	PE	PB
Bank	187.5	344.5	-45.56%	+1.36%	7.8x	0.8x
NBFI	393.7	411.0	-4.21%	+2.86%	NM	3.9x
Mutual Fund	12.7	19.5	-34.71%	+0.09%	NM	0.8x
General Insurance	139.6	414.2	-66.30%	+1.02%	14.8x	15x
Life Insurance	355.5	542.0	-34.41%	+2.59%	NM	NM
Telecommunication	79.5	210.5	-62.24%	+0.58%	15.5x	4.6x
Pharmaceutical	2,280.8	4,676.5	-51.23%	+16.60%	18.5x	2.7x
Fuel & Power	989.0	1,071.6	-7.71%	+7.20%	11.5x	12x
Cement	190.3	524.8	-63.74%	+1.38%	27.0x	2.7x
Services & Real Estate	1,694.6	1,336.3	+26.81%	+12.33%	94.4x	15x
Engineering	1,488.0	1,589.6	-6.39%	+10.83%	20.3x	19x
Food & Allied	408.9	585.2	-30.13%	+2.98%	22.9x	8.0x
IT	1,022.8	1,046.3	-2.25%	+7.44%	31.0x	2.7x
Textile	775.5	1,020.9	-24.04%	+5.64%	26.5x	1.1x
Paper & Printing	645.3	500.7	+28.86%	+4.69%	NM	3.0x
Tannery	52.6	66.6	-20.96%	+0.38%	35.8x	3.3x
Jute	33.0	83.8	-60.60%	+0.24%	NM	36.4x
Ceramics	501.2	518.3	-3.29%	+3.65%	32.3x	2.1x
Miscellaneous	2,493.3	4,205.7	-40.72%	+18.14%	12.8x	2.2x

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

Company Name	Close*	YTD %Δ	Mcap**	PE	PB
HEIDELCEM	179.1	-34.3%	10,120	NM	2.8x
PIONEERINS	71.5	-32.7%	6,054	10.7x	14x
LANKABAFIN	26.0	-30.3%	14,010	11.6x	1.3x
BRACBANK	38.5	-25.2%	57,619	11.3x	10x
ACTIVEFINE	19.3	-24.6%	4,631	83.9x	0.9x
OLYMPIC	129.6	-19.3%	25,912	17.7x	2.8x
CONFIDCEM	98.7	-19.0%	7,722	11.1x	12x
BATBC	518.7	-18.4%	280,098	18.1x	7.4x
GP	286.6	-18.0%	386,996	11.4x	7.7x
DBH	57.8	-17.5%	11,270	10.3x	15x

## Important News: Business & Economy

### NFBIs demand withdrawal of cap on deposit interest

- The non-bank financial institutions have demanded withdrawal of the 7% interest cap on deposit. As per the instruction given by Bangladesh Bank, NFBIs cannot offer more than 7% interest on deposit, which is lower than the banks offer to their clients, the committee said.

<https://www.thedailystar.net/business/news/nfbis-demand-withdrawal-cap-deposit-interest-3130231>

### Bangladesh Bank sets cost ceiling for short-term trade finance in forex

- Bangladesh Bank (BB) has set the all-in-cost ceiling for short-term permissible trade finance in foreign exchange. "Given the global market trends, it has been decided to set all-in-cost ceiling per annum at SOFR + 3.50% for short-term trade finance in foreign exchange," said a BB circular on Wednesday.

<https://thefinancialexpress.com.bd/economy/bangladesh-bank-sets-cost-ceiling-for-short-term-trade-finance-in-forex-1664366601>

### Bangladesh unlikely to get additional LNG from Qatar before 2025

- Bangladesh is unlikely to get any additional liquefied natural gas from Qatar before 2025 as the gulf country has recently turned down a request in this regard.
- According to official sources in Dhaka, Qatar straight away rejected a plea to increase its supply of LNG right at this moment when Bangladesh has desperately been looking for primary fuel at a cheaper rate.

<https://www.newagebd.net/article/182279/bangladesh-unlikely-to-get-additional-lng-from-qatar-before-2025>

### Cabinet purchase body okays import of 90,000 tonnes of fertiliser

- The Cabinet Committee on Government Purchase in a virtual meeting on Wednesday approved a number of proposals, including the import of 90,000 tonnes of fertiliser.
- The Bangladesh Chemical Industries Corporation will buy entire fertilisers in three separate lots from three different companies under separate contracts. As per the proposals, some 30,000 tonnes of bagged granular urea fertiliser will be procured from Karnaphuli Fertiliser Company (Kafco) at a cost of BDT1.9746 Bn while another 30,000 tonnes of bulk granular urea from Muntajat of Qatar at a cost of BDT2.1 Bn.

<https://www.newagebd.net/article/182281/cabinet-purchase-body-okays-import-of-90000-tonnes-of-fertiliser>

### Finance prepares to-do list to offset effects of global slowdown

- Timely implementation of mega projects, more public-private partnerships (PPP) in development work and facilitating exporters to find new markets are among the government's priorities to cushion the economy from the global slowdown ahead and the fallout of the Russia-Ukraine war, the finance ministry has said.
- Measures are also being taken to maintain the growth momentum. These include setting up new economic zones, tax administration reforms and measures to improve the ease of doing business, according to a ministry report titled "Socioeconomic progress and recent macroeconomic developments in Bangladesh". The report was prepared by the Finance Division of the ministry.

<https://www.tbsnews.net/economy/finance-prepares-do-list-offset-effects-global-slowdown-504426>

### Weak institutions challenge to next phase of growth financing: WB

- To reach the next stage of development, Bangladesh will require USD608 Bn investment in infrastructure by 2040. As it will not be possible for the government to provide the entire investment, large investments by the private sector will be needed, according to the World Bank (WB).
- But the Washington-based lender notes that it will be difficult to meet the investment demand by the private sector, owing to severe financial sector mismanagement, liquidity crisis in the banking sector and the government's excessive dependence on domestic debt.

<https://www.tbsnews.net/economy/weak-institutions-challenge-next-phase-growth-financing-wb-505122>

### 'Bangladesh likely to get USD12.0 Bn to USD15.0 Bn loan support from ADB over next five years'

- Bangladesh expects to get USD12.0 Bn to USD15.0 Bn loan support from the Asian Development Bank under its Country Partnership Strategy (CPS) (2021-2025), according to Finance Minister AHM Mustafa Kamal.
- The minister came up with the statement on Tuesday after a bilateral meeting with ADB President Masatsugu Asakawa at the ADB headquarters in Manila as part of the annual meeting of the lending agency, reports BSS.

<https://thefinancialexpress.com.bd/economy/bangladesh/bangladesh-likely-to-get-120b-to-150b-loan-support-from-adb-over-next-five-years-1664287055>

### **Currency, BoP odds affecting economy**

- Global supply-chain disruptions and price hikes amid aggressive policy-rate raise by the US Fed are creating serious global uncertainties affecting Bangladesh's economy, too, says the central bank.
- "Exchange-rate pressures due to high import prices and subsequent balance-of-payments adversities are prominent (in domestic economy)," the Bangladesh Bank says in a quarterly financial-review report released Wednesday, predicting further economic shocks.

<https://thefinancialexpress.com.bd/economy/currency-bop-odds-affecting-economy-1664416950>

### **Banks prefer govt bonds to private sector lending**

- Banks with surplus funds in Bangladesh are increasingly preferring government securities to lending to the private sector as the former gives higher yields amid the continued interest rate cap.
- Excess liquidity totalled BDT1899.1 Bn in July, down 7% a month before and 15% year-on-year, data from the Bangladesh Bank showed.

<https://www.thedailystar.net/business/economy/news/banks-prefer-govt-bonds-private-sector-lending-3129046>

### **Private sector credit gallops to 14% amid rising inflation**

- At a time when global central banks are tightening monetary policy to tame inflation, Bangladesh is going in the opposite direction with credit growth crossing 14% in August, a four-year high.
- In August, credit growth reached 14.07% signalling that it may cross the monetary target of 14.1% set for the current fiscal year by the Bangladesh Bank in its latest monetary policy.

<https://www.tbsnews.net/economy/banking/private-sector-credit-gallops-14-amid-rising-inflation-504394>

### **Cash outside banks surges to record BDT2420 Bn**

- The amount of cash outside the country's banks soared to record BDT2,420.26 Bn in July as people held cash in their hands to meet rising living costs.
- Bangladesh Bank data showed that cash outside banks hit its highest in April when it was at BDT2367.91 Bn.

<https://www.newagebd.net/article/182317/cash-outside-banks-surges-to-record-tk-242-lakh-crore>

### **Divide 140 tanneries in 3 categories**

- A parliamentary body yesterday recommended dividing all 140 tanneries at Savar Tannery Industry into three categories, based on compliance and lack thereof in treating tannery waste, and close down those that have never applied for environmental clearance and are unlikely to comply.
- The parliamentary standing committee on environment, forest and climate change ministry made the recommendation in its meeting at Jatiya Sangsad.

<https://www.thedailystar.net/business/economy/industries/news/divide-140-tanneries-3-categories-3129901>

### **GSP+ in EU market next big factor for Bangladesh's economic growth: Envoy**

- Ambassador and Head of Delegation of the European Union (EU) to Bangladesh Charles Whiteley on Tuesday said preparing for quick access to GSP Plus in the EU market is the next big factor for Bangladesh's future economic development.
- The graduation from LDC status in 2026 would also mean graduation from the current Everything but Arms (EBA) unilateral trade preference given to Bangladesh by the EU, which is Bangladesh's largest export destination.

<https://www.tbsnews.net/economy/gsp-eu-market-next-big-factor-bangladeshs-economic-growth-envoy-504346>

### **Flawed regulation sends wrong signals to private submarine cables in Bangladesh**

- The government has issued three submarine cable licences to Summit Communications, CdNet Communications, and Metacore Subcom Ltd. The last bastion of state-owned monopoly in telecoms will fall once the private cables emerge from the Bay of Bengal. But tiptoeing the notoriously unassuming regulatory minefield at the shore will dictate their fate of Darwinian survival.
- Bangladesh Submarine Cable Company Ltd (BSCCL) plugged the country's maiden undersea cable named South East Asia–Middle East–Western Europe 4 (SEA-ME-WE 4) in 2005. Eleven years later, in 2016, the state-owned BSCCL pulled ashore its second (SEA-ME-WE 5) cable. The third one, SEA-ME-WE 6, is scheduled for activation in 2025.

<https://www.thedailystar.net/business/news/flawed-regulation-sends-wrong-signals-private-submarine-cables-bangladesh-3128526>

### **Private foreign borrowings fall, investment slows**

- Private-sector foreign borrowings are falling which entrepreneurs interpret as indicator of slower investment in the economy for pandemic-induced poor demand and higher cost of funds on the other hand.
- Officials and bankers familiar with the developments, however, say the borrowings have now turned expensive in relation to the 9.0% cap on lending and local currency taka's appreciation over the US dollar.

<https://thefinancialexpress.com.bd/economy/private-foreign-borrowings-fall-investment-slows-1664331741>

### **BB cuts interest on RMG loans**

- The central bank yesterday slashed the interest rate on the loans under a programme that provides funds to the readymade garment sector to beef up its safety system and upgrade environmental standards.
- At the customer level, the interest rate has been re-fixed to a maximum of 5% per annum instead of the existing 7%, said the BB in a notice yesterday.

<https://www.thedailystar.net/business/economy/news/bb-cuts-interest-rmg-loans-3128941>

### **Japan may extend USD600 Mn as budget support**

- Japan may extend USD600 Mn to Bangladesh as budget support, Planning Minister MA Mannan said today. Bangladesh earlier sought the loan from the island country and discussions are now going on, he said.

<https://www.thedailystar.net/business/news/japan-may-extend-600-million-budget-support-3128481>

### **Bangladesh Bank re-fixes interest rate on pre-finance facility under SREUP**

- Bangladesh Bank (BB) has re-fixed the interest rate on the pre-finance facility under the support safety retrofits and environmental upgrades programme (SREUP).
- "At the customer level, the interest rate for pre-financing under SREUP has been re-fixed to a maximum of 5% per annum instead of the existing 7% per annum. This 5% interest rate will be applicable to all new and existing sub-loans under SREUP," said a BB circular issued on Monday.

<https://thefinancialexpress.com.bd/economy/bangladesh-bank-re-fixes-interest-rate-on-pre-finance-facility-under-sreup-1664204316>

### **Liberal trade could boost Bangladesh's GDP by 14.8%: World Bank study**

- Unilateral trade and investment liberalisation could boost Bangladesh's GDP, investment, and exports by 14.8%, 20%, and 63.2%, respectively, according to a World Bank study.
- To gain from such unilateral reforms and greater market access, Bangladesh needs to reduce trade costs and access to cheaper and better-quality imported inputs to boost domestic firms' competitiveness and output, it says, pointing out that Bangladesh's trade competitiveness is eroding mainly due to lack of lower export base.

<https://www.tbsnews.net/economy/liberal-trade-could-boost-bangladeshs-gdp-148-world-bank-study-503782>

### **Exporters' demand ignored, banks cut dollar rate BDT0.50 for remittance**

- Banks have reduced the US dollar rate for remittance by BDT0.50 two weeks after a uniform rate of BDT108 was announced, although the greenback remained unchanged for export proceeds encashment despite repeated calls from exporters.
- Bafeda said the export proceeds will be encashed at BDT99 as earlier and the interbank rate will be determined by weighing the average of remittance and export proceeds dollar rates, making it BDT1 higher.

<https://www.tbsnews.net/economy/banking/exporters-demand-ignored-banks-cut-dollar-rate-tk050-remittance-503714>

### **Bangladesh allocates 300 acres of land for Saudi companies in EPZ**

- Bangladesh government has allocated 300 acres of land for Saudi companies in Bangabandhu EPZ. Saudi Ambassador in Dhaka said this while addressing a function organised to observe the 92nd National Day of Saudi Arabia.

<https://thefinancialexpress.com.bd/economy/bangladesh-allocates-300-acres-of-land-for-saudi-companies-in-epz-1664203611>

### **Severe gas crisis: Narayanganj-based industries to submit memorandum to PM**

- Industrial entrepreneurs based in Narayanganj – one of the main centres for textile, and knitwear garments industries in the country – have decided to submit a memorandum to the prime minister in early October seeking steps to resolve the prevailing crisis of gas in industries.

<https://www.tbsnews.net/economy/industry/severe-gas-crisis-narayanganj-based-industries-submit-memorandum-pm-503126>

### **Exports to EU may shrink by 30% after LDC graduation**

- Bangladesh set to see exports to the European Union – its biggest market – shrink by 28-30% once it transitions from a least developed country and comes under the purview of the carbon border adjustment mechanism (CBAM) and loses out the duty-free facilities under the everything but arms (EBA).
- Of the loss in exports, apparels will also be hit, with the decrease for the segment expected to be around 27%, according to a study by the Research and Policy Integration for Development (RAPID), a research institute.

<https://www.tbsnews.net/economy/exports-eu-may-shrink-30-after-ldc-graduation-503786>

### **Banks' sustainable finance doubles to BDT305.78 Bn**

- Banks' investment as sustainable finance almost doubled to BDT305.78 Bn at the end of June 2022 compared with that of BDT166.6351 Bn in the same month of the previous year.
- Sustainable finance refers to the business conducted in such areas and in such a manner that help the overall reduction of external carbon emission and internal carbon footprint.

<https://www.newagebd.net/article/182035/banks-sustainable-finance-doubles-to-tk-30578cr>

### **IDLC Finance approves BDT 5 Bn bond**

- The board of directors of IDLC Finance Ltd has approved the issuance of a BDT 5 Bn zero-coupon bond for a tenure of two years.
- The nature of the bond is unsecured and non-convertible, stated the company disclosure on the Dhaka Stock Exchange (DSE) website on Tuesday.

<https://www.tbsnews.net/economy/stocks/idlc-finance-approves-tk500cr-bond-500110>

### **Share of foreign loans at floating rates doubles in 4 years**

- Bangladesh's share of foreign loans at floating rates has doubled in four years as development partners are more inclined to offer market-based loans than fixed-rate ones citing the country's overall economic progress including the rise in per capita income.
- In the fiscal 2021-22, market-based loans stood at a little over 23% of Bangladesh's total external debt portfolio, which was 11.6% in FY18, according to the latest data of the Economic Relations Division (ERD).

<https://www.tbsnews.net/economy/share-foreign-loans-floating-rates-doubles-4-years-503198>

### **Bangladesh, Cambodia to sign FTA**

- Bangladesh and Cambodia are expected to sign Free Trade Agreement as the prime ministers of both the countries have agreed to do it for further expanding the area of trade cooperation.

<https://www.newagebd.net/article/181830/bangladesh-cambodia-to-sign-fta>

### **Bangladesh needs to revamp tariff rate, financial sector to fight global challenges: World Bank**

- To sustain the rapid growth of the gross domestic product and overcome the current global challenge, Bangladesh needs to reform the existing tariff regime and the financial sector, said the World Bank in a report titled "Change of Fabric" published under the Bangladesh Country Economic Memorandum.
- The global lender said as part of the country's export-led growth vision, it needs to address multiple policy issues to unleash private sector growth and investment, including tariff modernisation, increased trade facilitation, services and investment reforms, as well regional integration and regulatory cooperation.

<https://www.tbsnews.net/economy/bangladesh-needs-revamp-tariff-rate-financial-sector-fight-global-challenges-world-bank>

### **Bangladesh-China bilateral trade crosses USD25 Bn**

- Chinese ambassador Li Jiming informed that bilateral trade between Bangladesh and China exceeded USD25 Bn.
- Terming the economic cooperation between the two countries 'most eye-catching' Mr Li also informed that China has granted 98% duty-free treatment to help boost Bangladesh's export to the East Asian country.

<https://thefinancialexpress.com.bd/economy/bangladesh-china-bilateral-trade-crosses-25b-1664107436>

### **Interest waivers by private banks rise 12-fold in Apr-Jun**

- Private banks seem to be waiving interests too generously, which bankers say, to ease recovery of loans that remained unpaid for a long time.
- In April-June this year, the waived loan interests registered a 12-fold jump to BDT25.57 Bn from only BDT1.91 Bn in the previous quarter, according to the Bangladesh Bank.

<https://www.tbsnews.net/economy/banking/interest-waivers-private-banks-rise-12-fold-apr-june-501194>

### Transactions thru cards for int'l payment keep rising

- Foreign currency transactions through cards maintained an upward trend in July, surging 274% year-on-year at a time when the country is trying to stop depleting its forex reserves.
- Cardholders spent an all-time high of BDT4.42 Bn in July, up from BDT1.18 Bn a year ago, shows data from Bangladesh Bank.

<https://www.thedailystar.net/business/economy/news/transactions-thru-cards-intl-payment-keep-rising-3128221>

### Production of jute textiles slumps

- The production of jute textiles has fallen significantly over the past two years due to a drop in exports and the government's failure to strictly impose the mandatory packaging law that led to decreased domestic demand, according to jute textile millers.
- Overall production of jute textiles was 0.243 Mn tonnes in fiscal 2021-22, down by about 28% compared to 0.339 Mn tonnes the previous year.

<https://www.thedailystar.net/business/economy/news/production-jute-textiles-slumps-3128271>

### USD2 Bn apparel market in reach in Japan, now target gets higher

- With high-value products, apparel makers now aim to gain a bigger slice of the USD24 Bn Japanese market taking advantage of growing exports to the potential destination.
- The country's apparel shipments to Japan regained the USD1 Bn-mark in FY22 after two consecutive years of the pandemic-induced slowdown, according to the Export Promotion Bureau (EPB).

<https://www.tbsnews.net/economy/2b-apparel-market-reach-japan-now-target-gets-higher-502634>

### Glass market expanding amid rapid urbanisation

- The market for glass used in construction has increased steadily in Bangladesh over the past 15 years thanks to expansion in the real-estate sector resulting from rapid urbanisation, according to industry insiders.
- The country annually consumes around 270,000 tonnes of glass, including float, reflective and soundproof glass, leading to a market size of no less than BDT20 Bn at present compared to BDT3 Bn when the industry started out.

<https://www.thedailystar.net/business/economy/news/glass-market-expanding-amid-rapid-urbanisation-3126166>

### Foreign aid release drops 24% in first two months of FY23

- The release of foreign aid has experienced a 24% fall in the first two months of FY23 because implementing agencies usually go slow when it comes to spending on development projects in the initial months of a fiscal year.
- In July-August, development lenders disbursed a little more than USD864 Mn in contrast to USD1.14 Bn in the same time a year ago, according to the latest report of the Economic Relations Division (ERD).

<https://www.tbsnews.net/economy/foreign-aid-release-drops-24-first-two-months-fy23-501618>

### Govt curbs causing difficulties in capital machinery import: MCCI president

- Some businesses are facing difficulties in importing capital machinery due to the government's import control aimed at reducing pressure on dollar reserves, said Md Saiful Islam, president of the Metropolitan Chamber of Commerce and Industry, Dhaka (MCCI).
- "One of our members recently faced trouble while bringing in capital machinery, but we all know the contribution of capital machinery to the economy," he told reporters yesterday at the MCCI office in Dhaka's Motijheel area.

<https://www.tbsnews.net/economy/govt-curbs-causing-difficulties-capital-machinery-import-mcci-president-502594>

### Bangladesh Bank platform eases local trade in foreign currency

- A new digital platform rolled out by the Bangladesh Bank has opened a new horizon for local businesses to do trade with foreign currencies on a real-time basis.
- Under the new platform, businesses that largely supply raw materials through letters of credit (LCs) meant for domestic use are now able to receive their money from buyers instantly instead of having to wait up to 10 days.

<https://www.thedailystar.net/business/economy/banks/news/bb-platform-eases-local-trade-foreign-currency-3126196>

### Govt's foreign loans: Weak taka makes repayment costlier

- The government's foreign debt repayment has become costlier owing to the sharp depreciation of the taka against the US dollar in recent months.
- Bangladesh repaid foreign debts amounting to USD289.78 Mn in July and August, down 2.83% cent from USD298.22 Mn during the identical two-month period a year ago, data from the Economic Relations Division (ERD) showed.

<https://www.thedailystar.net/business/economy/news/weak-taka-makes-repayment-costlier-3126206>

### **83.9% MIs faced Covid-induced business loss, says study**

- As high as 83.9% of Microfinance Institutions (MIs) in the country faced reduced income or loss in business due to the Covid-19 pandemic in the country, according to a new study.
- Also, 40% of the respondents mentioned no work or loss of jobs, while 22% of respondents said they were unable to pay loan instalments on time, according to the study by International Network of Alternative Financial Institutions (INAFI) Bangladesh.

<https://thefinancialexpress.com.bd/economy/839pc-mis-faced-covid-induced-business-loss-says-study-1664021405>

## Important News: Capital Market

### Walton approves 250% dividend

- The board of directors of Walton Hi-Tech Industries PLC approved 250% cash dividend for the general shareholders and 150% cash dividend for sponsors and directors for financial year 2021-2022.
- The company virtually held its 16th annual general meeting, where it approved the staggering dividends along with the audited financial statements for FY 2021-2022.

<https://www.thedailystar.net/business/economy/news/walton-approves-250pc-dividend-3130496>

### RFL uPVC door maker allowed collecting BDT3 Bn through Sukuk

- Banga Building Material Ltd (BBML) – the maker of RFL uPVC doors, sheets, ceiling panels, and furniture – has received the securities regulator's nod to raise BDT3 Bn through Sukuk for capacity expansion at its Habiganj Industrial Park unit.
- On Wednesday, the Bangladesh Securities and Exchange Commission (BSEC) in a statement said only banks can invest in the Sukuk – an asset-backed Islamic instrument.
- Investors' annual rate of return will be at least 8% and will not exceed 11% as the return would be 300 basis points higher than the floating Islamic deposit rate in the banking industry.

<https://www.tbsnews.net/economy/stocks/rfl-upvc-door-maker-allowed-collecting-tk300cr-through-sukuk-505082>

### ACI, Patuakhali Science and Tech University ink MoU

- Advanced Chemical Industries (ACI) signed a memorandum of understanding with Patuakhali Science and Technology University (PSTU) over biochar production technology on Sunday.
- Under the agreement, the university will hand over the biochar production technology to ACI Fertilizer for commercial production. ACI will provide access to its factory for producing biochar-rich fertiliser, carrying out trials in the research and development field, and performing demonstrations in farmers' fields.

<https://www.thedailystar.net/business/organisation-news/news/aci-patuakhali-science-and-tech-university-ink-mou-3129026>

### One Bank, CCULB Resort sign MoU

- One Bank Ltd recently signed a memorandum of understanding (MoU) with CCULB Resort and Convention Hall for customer privilege. Under this agreement, all of the bank's debit, credit and prepaid cardholders will enjoy up to 50% discount on room rates and banquet hall and 10% discount on the a-la-carte food menu.

<https://www.thedailystar.net/business/economy/news/one-bank-cculb-resort-sign-mou-3130516>

### Chartered Life Insurance to sell 2.25 Mn shares to employees

- Chartered Life Insurance Company Limited is going to be the first company in the country's insurance sector to share ownership with employees.
- The life insurance company will issue 15 Mn shares in the stock market through an initial public offering (IPO). And 15%, or 2.25 Mn, of the primary shares would be sold to the employees of the company.

<https://www.tbsnews.net/economy/stocks/chartered-life-insurance-sell-225-lakh-shares-employees-504330>

### Paramount Textile given AA rating

- Paramount Textile Limited has received an AA credit rating for the long term and ST-1 in the short term, based on its audited financials and other relevant information up to 30 June 2021.
- The ratings, announced by Alpha Credit Rating Limited, signify a company's strong capacity to repay stockholders and a good position in the stock market. The ratings indicate a company's financial excellence, health, franchise sustainability, and a first-class operating environment.

<https://www.tbsnews.net/economy/stocks/paramount-textile-given-aa-rating-504306>

### EBL raises BDT1,224 Mn for TMSS

- Eastern Bank Limited (EBL) has raised BDT1,224 Mn through the issuance of zero-coupon bonds for Thengamara Mohila Sabuj Sangha (TMSS), a microfinance institution in Bangladesh. The EBL acted as the lead arranger while MTB Capital Ltd played a role as the trustee of the deal.

<https://www.thedailystar.net/business/economy/news/eb1-raises-tk-1224cr-tmss-3129706>

### **Subsidiaries help boost Doreen Power's profits by 43%**

- Doreen Power Generations and Systems Limited posted a 43% year-on-year growth in its net profit for fiscal 2021-22, thanks to the increase in income from its two subsidiaries, and the income from another subsidiary added to the company's financials in the last quarter of FY22.
- In FY22, Doreen Power's consolidated net profit stood at BDT1.67 Bn, which was BDT1.1686 Bn in FY21. Its consolidated earnings per share stood at BDT10.31, and net asset value per share at BDT53.15 as of 30 June 2022.

<https://www.tbsnews.net/economy/stocks/subsidiaries-help-boost-doreen-powers-profits-43-503658>

### **Orion Pharma, Beximco grab 25% of weekly turnover on DSE**

- Ten most-traded companies accounted for 44% of transactions on the Dhaka Stock Exchange (DSE) in the outgoing week, with Orion Pharma leading the turnover list.
- For the past few weeks, some selective stocks have dominated the DSE turnover chart. Two of them, Orion Pharma and Beximco, jointly captured 25% of this week's total turnover.

<https://thefinancialexpress.com.bd/stock/orion-pharma-beximco-grab-25pc-of-weekly-turnover-on-dse-1663991143>

### **Hosaf Group director to sell 37% of his holding in Pragati Life**

- Mabroor Hossain, a director of the Hosaf Group and a sponsor-director at Pragati Life Insurance Ltd, has announced he will sell 37% of all his shares in the life insurance company.
- According to the Dhaka Stock Exchange (DSE), he will sell 0.372 Mn shares from his holding of 0.997 Mn shares.

<https://www.tbsnews.net/economy/stocks/hosaf-group-director-sell-37-his-holding-pragati-life-503146>

### **Asiatic Laboratories IPO bidding starts 10 October**

- Price bidding in the electronic subscription system (ESS), to determine the share price of Asiatic Laboratories Ltd, is scheduled to begin on 10 October and continue till 13 October, according to a Dhaka Stock Exchange (DSE) disclosure on Sunday.
- On 31 August, the Bangladesh Securities and Exchange Commission (BSEC) allowed the company to determine the cut-off price of its shares through bidding by eligible investors – a requirement for going public under the book-building method.

<https://www.tbsnews.net/economy/stocks/asiatic-laboratories-ipo-bidding-starts-10-october-503182>

### **Chartered Life's IPO opens today**

- The initial public offering (IPO) of Chartered Life Insurance Company opens for subscription today (Sunday), to raise BDT150 Mn from the capital market under fixed-price method.
- The new-generation insurer's IPO subscription period will close on September 29, according to its abridged prospectus published recently.

<https://thefinancialexpress.com.bd/stock/chartered-lifes-ipo-opens-today-1664079437>

### **BSEC looks into Progressive Life Insurance as claims remain unsettled**

- The stock market regulator has formed a three-member committee to look into the financial details of Progressive Life Insurance Company Ltd. Customer complaints have been piling up regarding the non-settlement of insurance claims by it.
- According to its officials, the Bangladesh Securities and Exchange Commission (BSEC) has come to know about a large number of customer complaints that the company has not been settling the claims despite the maturity of their insurance policies.

<https://www.tbsnews.net/economy/stocks/bsec-looks-progressive-life-insurance-claims-remain-unsettled-502626>

### **Asiatic Laboratories' IPO share bidding from Oct 1**

- A bidding to explore the cut-off price of shares of Asiatic Laboratories for its initial public offering (IPO) will begin at 3:00 pm on October 10.
- Eligible investors (EIs) will participate in the bidding through electronic subscription system of the stock exchanges. The 72-hours bidding, a requirement for the companies going public under the book-building method, will close at 3:00pm on October 13, according to a disclosure on the Dhaka Stock Exchange (DSE) website on Sunday.

<https://thefinancialexpress.com.bd/stock/asiatic-laboratories-ipo-share-bidding-from-oct-10-1664166709>

### **AB Bank perpetual bond struggling for subscribers**

- AB Bank is struggling to get subscribers for its perpetual bond as investors have low confidence in the lender, according to market insiders.
- The private bank got approval to raise BDT6 Bn in November 2021 by issuing a transferable, unsecured, non-cumulative and contingent-convertible perpetual bond.

<https://www.thedailystar.net/business/economy/banks/news/ab-bank-perpetual-bond-struggling-subscribers-3126121>

**Saif to run container vessels on UAE-Ctg**

- Saif Powertec entered a deal with Abu Dhabi-based Safeen Feeders yesterday to run three container feeder vessels on the Bangladesh-United Arab Emirates (UAE) and other international routes.
- Dubai-based subsidiary Saif Maritime LLC will charter the vessels from the concern of AD Ports Group for 15 years, said Md Salehin, company secretary of Saif Powertec. Saif Powertec estimates that the freight revenue per vessel would be around USD20 Mn annum while net profit would be USD2.50 Mn.

<https://www.thedailystar.net/business/economy/news/saif-run-container-vessels-uae-ctg-3128976>

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