

## Weekly Market Update

### Capital Market Overview

The market closed in green this week. The benchmark index DSEX (+2.42%) gained 153.53 points and closed the week at 6,508.61 points. The blue-chip index DS30 (+1.69%) gained 38.31 points and stood at 2,305.66 points. The Shariah-based index DSES (+1.34%) gained 18.58 points and stood at 1,409.19 points. The large cap index CDSET (+1.76%) gained 21.87 points and closed at 1,263.13 points. DSEX, DS30, DSES and CDSET showed YTD returns of -3.67%, -8.96%, -1.53%, -7.06%, respectively.

**Total Turnover During the Week (DSE):** BDT 95.1 billion (USD 1,002 million)

**Average Daily Turnover Value (ADTV):** BDT 19.0 billion (Δ% Week: +37.2%)

**Market P/E:** 16.0x

### Daily Index Movement during the Week

Market performed five sessions during this week. Market started on a positive note (+0.74%) on Sunday. It remained positive (+0.10%) on Monday. It also remained positive on Tuesday (+0.39%) and Wednesday (+0.38%). Moreover, market ended on a positive note (+0.80%) on Thursday.

### Sectoral Performance

• All the financial sectors posted positive performance this week. General Insurance booked the highest gain of 4.29% followed by Bank (+2.29%), Mutual Fund (+1.30%), Life Insurance (+1.21%), and NBFI (+0.41%).

• All the non-financial sectors posted positive performance this week. Fuel & Power booked the highest gain of 2.26% followed by Engineering (+1.74%), Pharmaceutical (+1.02%), Food & Allied (+0.74%), and Telecommunication (+0.62%).

### Macroeconomic arena

• Import LC payments drop 25% in August. S Korea to provide USD3 Bn soft loans to Bangladesh. Import of 0.83 Mn tonnes of rice, wheat approved. Dutch company acquires Petromax LPG, Cylinders for over BDT10 Bn. Bida, US venture capital firm to work together to attract FDI. BB mandates selling foreign currencies exceeding USD10,000. Bangladesh, Brunei highlight importance of connectivity to boost bilateral trade. Fuel price fall: Container handling charges cut, decision on bus fares today. Light engineering products to boost Bangladesh export basket. Bangladesh eyes USD35 Bn slice of Saudi market. Loss-making BPDB finds cross-border power import a low-cost option. Reserves drop to USD39.04 Bn as dollar sales continue. Nagad now gets NBFI licence to form subsidiary to legalise MFS operation.

• Banks report USD 1.72 Bn inward remittances in first 25 days of August. BDT 5 drop in fuel prices after BDT 46 increase. Nagad spells trouble for post office, customers. Private sector credit grows nearly 14% in July. Bangladesh eyes purchasing fuel oil from India's surplus. Govt cuts import taxes on rice, diesel. FC settlement thru' RTGS from Sept 04. Fresh fees imposed on 46 export-import services. Power, gas users paid BDT 315.35 Bn taxes in 5 FYs. Exports to India see robust rise. Exchange rate volatility, inflation to ease in 2/3 months. Bangladesh's external debt to export ratio highest among 5 Asian countries. Energy supply to be biggest concern if global prices don't drop: Salman. Deal to be signed with Indian cos to purchase electricity from Nepal. Wheat flour, sugar prices on the rise, rice market still volatile.

### Stock Market arena

• BSEC approves BDT950 Mn IPO of Asiatic Laboratories. UAE-based group to take over Perfume Chemicals with export potential. Sonali Paper starts aluminium foil production. Power plant of Paramount Textile's subsidiary starts commercial operation. BSEC extends deadline for DSE audit report submission. Bashundhara puts forward plans to become CSE's strategic partner. Chartered Life IPO subscription opens on 25 September. Golden Harvest won't invest in e-commerce. United Power to amalgamate three subsidiaries to save costs. IFIC Bank to issue BDT5 Bn coupon bearing bond. Increase IPO quota for MFs. CAPM Unit Fund sees 47% drop in stock market income. Walton sponsor director to offload 100,000 shares. Metro Spinning share price jumps 57% in a month.

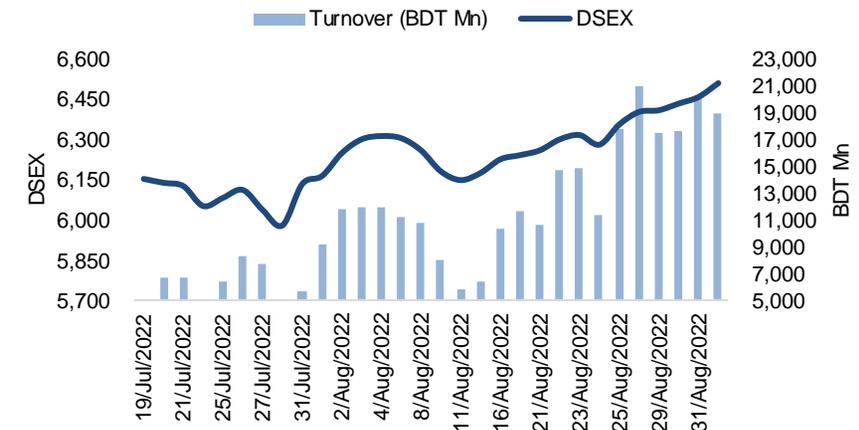
Table 1: Index

Index	Closing*	Opening*	Δ(Pts)	30-Dec-2021	Δ% Week	Δ% YTD
DSEX	6,508.61	6,355.07	+153.53	6,756.66	+2.42%	-3.67%
DS30	2,305.66	2,267.35	+38.31	2,532.58	+1.69%	-8.96%
DSES	1,409.19	1,390.61	+18.58	1,431.12	+1.34%	-1.53%
CDSET	1,263.13	1,241.26	+21.87	1,359.13	+1.76%	-7.06%

Table 2: Market Statistics

		This Week	Last Week	% Change
Mcap	Mn BDT	5,218,853	5,132,404	+1.7%
	Mn USD	54,935	54,025	
Turnover	Mn BDT	95,145	69,339	+37.2%
	Mn USD	1,002	730	
Average Daily Turnover	Mn BDT	19,029	13,868	+37.2%
	Mn USD	200	146	
Volume	Mn Shares	2,376	1,612	+47.4%

Figure 1: DSEX & Turnover in last four weeks



**Research Associate**  
**Fahim Hassan**  
 (880) 1709636546  
[fahim.hassan@bracepl.com](mailto:fahim.hassan@bracepl.com)

**Research Associate**  
**Billal Hossain**  
 (880) 1708805229  
[billal.hossain@bracepl.com](mailto:billal.hossain@bracepl.com)

**Table 3: Top Ten Gainers**

Company Name	Close*	Open*	Δ%	Mcap**	Turnover**	PE	PB
ORIONINFU	310.3	220.0	+41.0%	6,318	1,504.5	NM	22.9x
EHL	1014	73.0	+38.9%	9,465	2,259.4	20.6x	14x
ADVENT	30.3	23.9	+26.8%	2,822	580.1	25.7x	2.2x
BPML	68.1	53.9	+26.3%	11,835	668.5	25.1x	15x
ACFL	32.9	27.3	+20.5%	3,317	335.0	28.9x	0.9x
APEXFOODS	262.6	218.0	+20.5%	1,497	347.1	92.1x	2.0x
NTC	792.4	662.3	+19.6%	5,230	355.0	NM	15.2x
METROSPIN	45.6	38.8	+17.5%	2,813	1,041.2	32.2x	2.3x
NPOLYMER	69.2	59.0	+17.3%	5,050	1,440.2	22.5x	2.5x
MALEKSPIN	42.7	36.5	+17.0%	8,267	2,399.2	9.9x	0.9x

**Table 4: Top Ten Losers**

Company Name	Close*	Open*	Δ%	Mcap**	Turnover**	PE	PB
UNIONCAP	11.5	13.5	-14.8%	1,985	178.7	NM	NM
SUNLIFEINS	63.2	70.9	-10.9%	2,260	121.9	NM	NM
MONOSPPOOL	196.8	217.6	-9.6%	1,848	289.6	64.7x	4.7x
JUTESPINN	170.6	187.1	-8.8%	290	6.5	NM	NM
INTRACO	39.0	42.7	-8.7%	3,831	1,262.4	37.3x	3.3x
IPDC	70.2	76.2	-7.9%	26,051	1,563.7	28.5x	4.1x
SONARGAON	66.2	71.5	-7.4%	1,752	287.1	NM	5.8x
PAPERPROC	252.4	272.0	-7.2%	2,637	600.1	82.7x	8.5x
PADMALIFE	52.7	56.5	-6.7%	2,049	139.7	NM	NM
PREMIERLEA	8.1	8.6	-5.8%	1,077	37.8	NM	0.8x

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

Company Name	Close*	Open*	Δ%	Mcap**	Turnover**	PE	PB
BEXIMCO	123.6	119.1	+3.8%	108,313	4,823.4	7.5x	14x
ORIONPHARM	104.8	108.9	-3.8%	24,523	3,638.1	25.5x	1.3x
BSC	140.4	123.9	+13.3%	21,416	2,655.0	10.4x	2.0x
MALEKSPIN	42.7	36.5	+17.0%	8,267	2,399.2	9.9x	0.9x
LHBL	78.9	74.9	+5.3%	91,632	2,389.9	23.5x	5.2x
EHL	1014	73.0	+38.9%	9,465	2,259.4	20.6x	14x
FORTUNE	79.5	80.2	-0.9%	12,922	2,123.9	26.1x	5.3x
DELTALIFE	166.5	155.3	+7.2%	20,604	1,850.0	NM	NM
MAKSONSPIN	30.0	27.6	+8.7%	7,147	1,695.6	8.6x	14x
IPDC	70.2	76.2	-7.9%	26,051	1,563.7	28.5x	4.1x

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

Company Name	Close*	YTD %Δ	Mcap**	PE	PB
IPDC	70.2	+81.9%	26,051	28.5x	4.1x
SQUARETEXT	70.2	+34.5%	13,847	8.0x	16x
UNIQUEHRL	65.3	+30.1%	19,224	22.3x	0.7x
ADNTEL	62.7	+19.7%	4,054	24.3x	2.3x
CROWNCENNT	74.4	+19.6%	11,048	37.8x	14x
TITASGAS	43.1	+18.7%	42,635	12.8x	0.6x
SHASHADNIM	28.8	+17.6%	4,062	15.7x	0.7x
GHAIL	18.7	+13.3%	4,036	89.0x	13x
EGEN	53.8	+13.3%	4,035	32.0x	2.5x
IBNSINA	302.2	+11.4%	9,442	16.9x	3.9x

**Table 7: Sector Indices**

\*BDT  
 \*\*BDT Mn

Sector Name	Week Close*	Week Open*	Year Open*	Δ% Week	Δ% YTD
Bank	1,463.2	1,430.4	1,589.69	+2.29%	-7.96%
NBFI	2,114.8	2,106.1	2,327.63	+0.41%	-9.14%
Mutual Fund	892.7	881.2	882.99	+1.30%	+1.10%
General Insurance	3,306.9	3,170.8	4,698.62	+4.29%	-29.62%
Life Insurance	2,449.8	2,420.5	2,687.55	+1.21%	-8.85%
Telecommunication	4,972.2	4,941.4	5,800.37	+0.62%	-14.28%
Pharmaceutical	3,883.6	3,844.4	3,866.63	+1.02%	+0.44%
Fuel & Power	1,782.9	1,743.5	1,792.97	+2.26%	-0.56%
Cement	2,710.9	2,575.8	2,534.76	+5.25%	+6.95%
Services & Real Estate	1,692.9	1,538.1	1,309.43	+10.07%	+29.28%
Engineering	4,666.4	4,586.8	4,727.46	+1.74%	-1.29%
Food & Allied	21,695.4	21,535.2	25,222.81	+0.74%	-13.98%
IT	2,629.3	2,615.9	3,274.61	+0.51%	-19.71%
Textile	1,752.0	1,706.3	1,470.60	+2.68%	+19.14%
Paper & Printing	11,454.4	10,924.8	9,680.03	+4.85%	+18.33%
Tannery	3,135.6	3,149.1	3,236.76	-0.43%	-3.13%
Jute	9,504.1	9,031.5	8,747.84	+5.23%	+8.65%
Ceramics	779.7	747.0	675.88	+4.39%	+15.36%
Miscellaneous	4,458.2	4,265.9	4,625.39	+4.51%	-3.62%

**Table 8: Sector Trading Matrix**

Sector Name	Daily average this Week	Daily average last Week	% Change	% of Total Turnover	PE	PB
Bank	711.2	306.9	+131.79%	+3.87%	7.9x	0.8x
NBFI	1,033.8	800.7	+29.12%	+5.63%	NM	4.0x
Mutual Fund	149.1	121.3	+22.89%	+0.81%	NM	0.8x
General Insurance	516.6	278.6	+85.41%	+2.81%	15.7x	16x
Life Insurance	602.5	557.2	+8.13%	+3.28%	NM	NM
Telecommunication	117.8	141.2	-16.53%	+0.64%	15.6x	4.6x
Pharmaceutical	2,253.5	1,782.2	+26.44%	+12.26%	18.0x	2.6x
Fuel & Power	960.4	579.9	+65.61%	+5.23%	11.7x	1.2x
Cement	542.9	392.2	+38.43%	+2.95%	28.4x	2.8x
Services & Real Estate	1,129.7	705.4	+60.15%	+6.15%	89.1x	12x
Engineering	2,119.8	1,268.9	+67.05%	+11.53%	20.6x	1.9x
Food & Allied	1,059.0	1,000.9	+5.81%	+5.76%	23.1x	8.1x
IT	454.3	449.1	+1.16%	+2.47%	27.4x	2.4x
Textile	3,300.2	2,236.0	+47.60%	+17.96%	28.4x	12x
Paper & Printing	540.3	374.4	+44.30%	+2.94%	NM	2.9x
Tannery	475.4	322.1	+47.57%	+2.59%	35.3x	3.2x
Jute	22.1	14.7	+49.92%	+0.12%	NM	30.9x
Ceramics	310.7	265.4	+17.07%	+1.69%	32.6x	2.1x
Miscellaneous	2,079.2	1,682.2	+23.60%	+11.31%	12.1x	2.1x

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

Company Name	Close*	YTD %Δ	Mcap**	PE	PB
PIONEERINS	73.6	-30.7%	6,232	11.1x	14x
HEIDELBCEM	192.4	-29.4%	10,871	NM	3.0x
BRACBANK	38.5	-25.2%	57,619	11.3x	1.0x
LANKABAFIN	28.9	-22.5%	15,572	12.8x	15x
ACTIVEFINE	20.4	-20.3%	4,895	88.7x	0.9x
BATBC	519.0	-18.3%	280,260	18.1x	7.4x
GP	290.0	-17.0%	391,587	115x	7.8x
ROBI	30.0	-13.3%	157,138	NM	2.4x
RECKITT BEN	4,978.0	-13.1%	23,521	312x	57.7x
BXPBARMA	169.9	-11.8%	75,794	13.2x	1.9x

## Important News: Business & Economy

### Import LC payments drop 25% in August

- Payments against import letters of credit (LCs) in August dropped 25% month-on-month thanks to various steps such as elevating the LC margin to 100% to stabilise the country's foreign exchange market. The opening of LCs was also on a downward trend.
- The opening of LCs was also on a downward trend. LC payments stood at USD5.93 Bn in August, a drop from USD7.42 Bn in the previous month, according to the latest report of the Bangladesh Bank.

<https://www.tbsnews.net/economy/import-lc-payments-drop-25-august-487710>

### S Korea to provide USD3 Bn soft loans to Bangladesh

- South Korea has decided to increase the size of Korea's soft loan to USD3.0 Bn from USD700 Mn, the Korean ambassador in Dhaka Lee Jung Keun said on Wednesday. "This amount will be implemented during the next five years, between 2022 and 2026," the envoy told the DCAB Talk, organised by the Diplomatic Correspondents' Association of Bangladesh. So far, Korea has provided USD1.34 Bn of EDCF concessional loans to Bangladesh for 27 projects.

<https://thefinancialexpress.com.bd/economy/s-korea-to-provide-3b-soft-loans-to-bangladesh-1661943173>

### Import of 0.83 Mn tonnes of rice, wheat approved

- The Cabinet Committee on Public Purchase on Wednesday approved imports of 0.33 Mn tonnes of rice from Vietnam and India, and 0.50 Mn tonnes of wheat from Russia to replenish food reserves and cool domestic prices, said a top official.

<https://www.tbsnews.net/markets/import-830-lakh-tonnes-rice-wheat-approved-487358>

### Dutch company acquires Petromax LPG, Cylinders for over BDT10 Bn

- Dutch Multinational SHV Energy has taken over entire stakes at Petromax LPG Ltd and Petromax Cylinders Ltd for more than BDT10 Bn to enter the fast-growing liquefied petroleum gas (LPG) market of Bangladesh. The deal was closed on 22 August, according to a statement by HSBC Bangladesh, which supported the inbound foreign direct investment (FDI) and financed the acquisition.

<https://www.tbsnews.net/economy/dutch-company-acquires-petromax-lpg-cylinders-over-tk1000cr-487758>

### Bida, US venture capital firm to work together to attract FDI

- The Bangladesh Investment Development Authority (Bida) has joined hands with US-based venture capital firm Anchorless Bangladesh to attract and facilitate targeted global investments and jointly promote investment opportunities in Bangladesh and abroad. A memorandum of understanding (MoU) was signed in this regard at a programme at Bida's head office in Dhaka's Agargaon today.

<https://www.thedailystar.net/business/news/bida-us-venture-capital-firm-work-together-attract-fdi-3107906>

### BB mandates selling foreign currencies exceeding USD10,000

- Bangladesh Bank (BB) has made it mandatory for resident Bangladeshis to sell the amount in excess of USD10,000 to authorised dealer banks or licensed money changers, or credit the amount as a resident foreign currency deposit within one month of arrival in the country from abroad.

<https://thefinancialexpress.com.bd/economy/bb-mandates-selling-foreign-currencies-exceeding-10000-1661957441>

### Bangladesh, Brunei highlight importance of connectivity to boost bilateral trade

- Bangladesh and Brunei have stressed the importance of facilitating air and shipping connectivity to boost bilateral trade, investment and people-to-people contact. The two countries agreed to facilitate greater collaboration and synergy between the private sectors and entrepreneurs of the two countries to fully harness the untapped potential.

<https://thefinancialexpress.com.bd/economy/bangladesh-brunei-highlight-importance-of-connectivity-to-boost-bilateral-trade-1661964121>

### Fuel price fall: Container handling charges cut, decision on bus fares today

- Container handling charges at inland depots and bus fares on the Chattogram's Hathazari-New Market route have been cut slightly a day after the government reduced fuel oil prices by BDT5. In the meantime, the Bangladesh Road Transport Authority (BRTA) scheduled a meeting on Wednesday to adjust bus fares for Dhaka and the rest of the country. It is likely to decrease the fares by only BDT0.05 per kilometre from the existing fares of BDT2.20-2.50, officials familiar with the matter hinted.

<https://www.tbsnews.net/economy/fuel-price-fall-container-handling-charges-cut-decision-bus-fares-today-486886>

### **Light engineering products to boost Bangladesh export basket**

- As Bangladesh seeks to diversify its export basket the focus has been on engineering products and bicycles, which have high demand in the international market. The government has taken several development projects aimed at developing the sectors to meet growing global demand, officials related to the industry said.
- Bangladesh already exports a significant portion of such products to Europe and African markets, reports UNB. According to the Export Promotion Bureau (EPB), domestic manufacturing companies earned USD168 Mn from bicycle exports in the FY 2021-22, an increase of 28.31% from the previous fiscal year.

<https://thefinancialexpress.com.bd/economy/light-engineering-products-to-boost-bangladesh-export-basket-1661863685>

### **Bangladesh eyes USD35 Bn slice of Saudi market**

- Bangladesh looks to gain a foothold in the Kingdom of Saudi Arabia (KSA) with seven potential products, including food and beverage, apparel, and jute and leather, products which are now sourced from the global market for USD35 Bn annually. Ceramic, pharmaceutical, and plastics also have good demand in this market - where Dhaka currently has a stake of less than USD300 million.

<https://www.tbsnews.net/economy/bangladesh-eyes-35b-slice-saudi-market-487054>

### **Loss-making BPDB finds cross-border power import a low-cost option**

- After gas-fired power generation, the import of electricity from neighbouring India appears to be the second cheapest option for Bangladesh. Indian electricity that Bangladesh has been importing through its eastern and western borders is around 38.27% cheaper than what local independent power producers charge per unit on an average.

<https://www.tbsnews.net/bangladesh/energy/loss-making-bpdb-finds-cross-border-power-import-low-cost-option-486550>

### **Reserves drop to USD39.04 Bn as dollar sales continue**

- The country's foreign exchange reserves dropped to USD39.04 Bn on Tuesday after the Bangladesh Bank sold USD153 Mn to banks for import bill payments. In the current fiscal year starting in July, the central bank has so far sold around USD2.44 Bn. It had sold a record USD7.62 Bn from reserves in the last fiscal year.

<https://www.tbsnews.net/economy/reserves-drop-3904b-dollar-sales-continue-487038>

### **Nagad now gets NBFi licence to form subsidiary to legalise MFS operation**

- Nagad, a mobile financial service provider of Bangladesh Post Office, got consent for a licence of non-bank financial institution (NBFi) under which it will form a subsidiary to legitimate its operation. The board of Bangladesh Bank has decided to give a letter of intent against "Nagad Finance PLC" at a meeting held on Tuesday at its headquarters.

<https://www.tbsnews.net/economy/banking/nagad-gets-consent-license-nbfi-486930>

### **Banks report USD 1.72 Bn inward remittances in first 25 days of August**

- Bangladesh received over USD 1.72 Bn in remittances through the official banking channels in the first 25 days of August, according to data submitted to Bangladesh Bank by different banks. The central bank said that the inward remittance flow had increased slightly over the same period in 2021.

<https://www.newagebd.net/article/179689/banks-report-172b-inward-remittances-in-first-25-days-of-august>

### **BDT 5 drop in fuel prices after BDT 46 increase**

- A 10% cut in import duty on diesel has resulted in a flat BDT 5 decline in prices of diesel, kerosene, petrol and octane, a downward adjustment, which users and experts find less than what should have been.
- The decision came a day after the reduction of 5% import duty and 5% advance tax on the most-consumed fuel oil, diesel, which accounts for 73% of the country's total petroleum imports.

<https://www.tbsnews.net/economy/tk5-drop-fuel-prices-after-tk46-increase-486162>

### **Nagad spells trouble for post office, customers**

- The Bangladesh Post Office lists Nagad as its mobile financial service (MFS) provider and Nagad on its part claims that it is the digital transaction service of Bangladesh Post Office. It mentions the Bangladesh Post Office in all its communication materials.
- Now a financial burden of BDT 3170 Mn overdue loan taken by Third Wave Technologies, Nagad's technology partner, from the Exim Bank has surfaced putting the post office in hot waters as the Bangladesh Bank is asking the post office to adjust the loan by September this year to meet up the shortfall in Nagad's account.

<https://www.tbsnews.net/economy/nagad-spells-trouble-post-office-customers-485098>

### Private sector credit grows nearly 14% in July

- The banking sector saw a big jump in credit flow to the private sector in July on the back of deferred LC payments and high import costs amid rising dollar prices. The credit grew to 13.95% during the time, which was higher than the previous month's 13.66% and close to the monetary ceiling of 14.1% set for the current fiscal year.

<https://www.tbsnews.net/economy/private-sector-credit-grows-nearly-14-july-486298>

### Bangladesh eyes purchasing fuel oil from India's surplus

- The government of Bangladesh is considering a long-term agreement with India to bring in fuel oil from its surplus amid the energy crunch, Foreign Secretary Masud Bin Momen has said, according to bdnews24.com. In a discussion on Prime Minister Sheikh Hasina's visit to India in September, he said the neighbours are "in a better position on the fuel issue".

<https://thefinancialexpress.com.bd/economy/bangladesh/bangladesh-eyes-purchasing-fuel-oil-from-indias-surplus-1661793679>

### Govt cuts import taxes on rice, diesel

- The government has slashed import taxes on rice and diesel to 15.25% and 22.75% respectively until December 31, 2022. The reduced import taxes came into effect from Sunday. The Customs wing under the Internal Resource Division (IRD) issued two separate Statutory Regulatory Orders (SROs) in this regard.

<https://today.thefinancialexpress.com.bd/first-page/govt-cuts-import-taxes-on-rice-diesel-1661710812>

### FC settlement thru' RTGS from Sept 04

- The central bank has decided to introduce foreign currency (FC) clearing and settlement through the RTGS system for the first time - from September 04 - to facilitate business activities, officials said. Under the new payment system, five currencies - including US dollar, Great Britain Pound, Euro, Canadian dollar and Japanese Yen - would be used to settle payments within the country through inter-bank transactions.

<https://today.thefinancialexpress.com.bd/first-page/fc-settlement-thru-rtgs-from-sept-04-1661710724>

### Fresh fees imposed on 46 export-import services

- The government has imposed fresh fees on 46 types of export-import services to increase its non-tax earnings to make two ends meet, in a measure seen as ill-timed. By a twin-stroke it has also increased fees of export-registration certificate (ERC), import- registration certificate (IRC) and indenting- certificate renewal.

<https://today.thefinancialexpress.com.bd/first-page/fresh-fees-imposed-on-46-export-import-services-1661710674>

### Power, gas users paid BDT 315.35 Bn taxes in 5 FYs

- Industrial and domestic consumers of two basic utility services - electricity and gas - paid BDT 315.35 Bn taxes to the public exchequer with their consumption charges during the last five fiscal years (FY 2017-18 to FY 2021-22). The amount is equivalent to the tax revenue collection by the National Board of Revenue (NBR) from all the domestic and import sources in a month.

<https://today.thefinancialexpress.com.bd/first-page/power-gas-users-paid-tk-31535b-taxes-in-5-fys-1661710770>

### Exports to India see robust rise

- Bank The country's overall exports to India reached USD 1.99 Bn in the last fiscal year (FY '22) marking a robust 55% year-on-year growth. Bangladesh shipped goods worth USD 1.27 Bn to the neighbouring country in the fiscal year 2020-21 or FY '21, according to an Export Promotion Bureau (EPB) data.

<https://today.thefinancialexpress.com.bd/last-page/exports-to-india-see-robust-rise-1661622044>

### Exchange rate volatility, inflation to ease in 2/3 months

- Bangladesh Bank Governor Abdur Rouf Talukder on Saturday expressed his optimism that forex-market volatility and inflationary pressure on the economy would ease in the next two to three months.

<https://today.thefinancialexpress.com.bd/first-page/exchange-rate-volatility-inflation-to-ease-in-23-months-1661621434>

### Bangladesh's external debt to export ratio highest among 5 Asian countries

- Bank The external debt to export ratio of Bangladesh is the highest among five countries in South and Southeast Asia, found researchers in a recent study. According to the study, the external debt to export ratio of Bangladesh is 125, while in Vietnam it is 25, Maldives 90, Bhutan 18, and Nepal 30.

- That means Bangladesh might face the biggest pressure among these five countries to repay its foreign debts, said researchers. The external debt to export ratio prescribed by the International Monetary Fund (IMF) is 240.

<https://www.tbsnews.net/economy/bangladeshs-external-debt-export-ratio-highest-among-5-asian-countries-485082>

### **Energy supply to be biggest concern if global prices don't drop: Salman**

- The energy supply is going to be the biggest challenge if its global prices do not fall in the next six months, says Prime Minister's Adviser for Private Industry and Investment Salman F Rahman. To mitigate the energy and gas crisis, the government is negotiating with Qatar and India. Besides, talks are going on with different organisations for exploring gas locally.

<https://www.tbsnews.net/bangladesh/energy/energy-become-bangladeshs-biggest-problem-if-global-prices-dont-drop-6-months>

### **Deal to be signed with Indian cos to purchase electricity from Nepal**

- Bangladesh is going to sign a power purchase agreement with Indian companies GMR Karnali Hydropower Company Limited and NTPC Vidyut Vyapar Nigam to buy 500 MW of electricity. The signing is expected to take place within the month of September that features the visit of the Bangladesh prime minister to Delhi.

<https://www.newagebd.net/article/179552/deal-to-be-signed-with-indian-cos-to-purchase-electricity-from-nepal>

### **Wheat flour, sugar prices on the rise, rice market still volatile**

- Consumers continue to feel the heat as the prices of wheat flour and sugar have gone up in the kitchen markets, making the list of dearer commodities, including rice, even longer. In the span of a week, the price of sugar increased by BDT5-7 to BDT90-95 per kg and the price of loose wheat flour increased by BDT3-5 to BDT50-55 per kg. The price of rice went up by BDT200-350 per 50kg sack.

<https://www.tbsnews.net/economy/wheat-flour-sugar-prices-rise-rice-market-still-volatile-484486>

## Important News: Capital Market

### BSEC approves BDT950 Mn IPO of Asiatic Laboratories

- The Bangladesh Securities and Exchange Commission (BSEC) yesterday approved Asiatic Laboratories Limited to raise BDT950 Mn from the capital market with an initial public offering (IPO). The company wants to use the funds mainly to begin anticancer drug production, according to the company's prospectus.

<https://www.tbsnews.net/economy/stocks/bsec-approves-tk95cr-ipo-asiatic-laboratories-487690>

### UAE-based group to take over Perfume Chemicals with export potential

- The UAE-based Al-Haramain Group is going to take over Perfume Chemicals Industries listed on Bangladesh's stock market, though out of operation for a long time. The UAE group plans to revive the company and produce perfumes with export potential.
- According to sources at the Bangladesh Securities and Exchange Commission (BSEC), Al-Haramain will purchase shares held by the sponsors and directors of the company. The group will also take care of Perfume Chemicals Industries' debt issues.

<https://www.tbsnews.net/economy/stocks/uae-based-group-take-over-perfume-chemicals-export-potential-487638>

### Sonali Paper starts aluminium foil production

- Sonali Paper and Board Mills Ltd – a publicly listed manufacturer of white, printing, simplex, and duplex papers – started the commercial production of its new product line of aluminium foil papers on Monday. In a Dhaka Stock Exchange (DSE) filing on Tuesday, the company said that the aluminium foil unit's maximum production capacity will be 28 Mn pieces per year, and it is expected to generate around BDT196 Mn in annual revenue.

<https://www.tbsnews.net/economy/stocks/sonali-paper-starts-aluminium-foil-production-486934>

### Power plant of Paramount Textile's subsidiary starts commercial operation

- Earlier, PTL decided to invest in a 30MW (AC) grid-tied solar PV power plant of ISPL. In November 2020, the company signed an agreement to purchase 80% shares of ISPL owned by Intraco CNG Ltd. The power plant of Intraco Solar Power Limited (ISPL) - an associate company of the publicly listed Paramount Textile Limited (PTL) - started its commercial operation on Thursday.

<https://www.tbsnews.net/economy/stocks/power-plant-paramount-textiles-subsidiary-starts-commercial-operation-485626>

### BSEC extends deadline for DSE audit report submission

- The stock market regulator has extended the time by 30 working days for audit report submission concerning the Dhaka Stock Exchange (DSE) on the issue of the demutualization scheme. On Sunday, the Bangladesh Securities and Exchange Commission extended the time.

<https://www.tbsnews.net/economy/stocks/bsec-extends-deadline-dse-audit-report-submission-486914>

### Bashundhara puts forward plans to become CSE's strategic partner

- ABG Limited, a sister concern of Bashundhara Group, has put forward its plan to become a strategic partner of the Chittagong Stock Exchange (CSE). On Monday, the company presented the plan in a PowerPoint presentation to the Bangladesh Securities and Exchange Commission (BSEC). However, after reviewing the information presented by ABG Limited, the commission has asked the company to give more details about its technical expertise and other issues.

<https://www.tbsnews.net/economy/stocks/bashundhara-puts-forward-plans-become-cses-strategic-partner-486222>

### Chartered Life IPO subscription opens on 25 September

- Subscription to the initial public offering (IPO) of Chartered Life Insurance Company Limited will open on 25 September and continue till 29 September. The new generation life insurer secured approval of the Bangladesh Securities and Exchange Commission (BSEC) earlier, to raise BDT150 Bn from the capital market at a face value of BDT10 per share.

<https://www.tbsnews.net/economy/stocks/chartered-life-ipo-subscription-opens-25-september-486194>

### Golden Harvest won't invest in e-commerce

- Golden Harvest Agro has decided not to proceed with its plan to open an e-commerce business, with the company's board citing yesterday that it was for the unstable economic outlook of the country. The listed company disclosed the information in a statement on the Dhaka Stock Exchange (DSE) website. The development came about just a year past the plan of launching e-commerce business.

<https://www.thedailystar.net/business/economy/e-commerce/news/golden-harvest-wont-invest-e-commerce-3106161>

### **United Power to amalgamate three subsidiaries to save costs**

- United Power Generation and Distributions Ltd (UPGDCL), a publicly traded power generation conglomerate, is going to amalgamate three of its four subsidiaries to improve efficiency, according to its filings with the DSE. The listed firm owns 99% stake in each of the subsidiaries, United Anwara Power Ltd, United Energy Ltd, United Jamalpur Power Ltd, which it acquired in recent years to boost revenue and profits.
- The company would acquire the remaining 1% stake of the three subsidiaries from the minority shareholders at net asset value before bringing all their assets and liabilities under its direct control through dissolving the entities, said its officials.

<https://www.tbsnews.net/economy/stocks/unity-power-amalgamate-three-subsi-diar-ies-save-costs-483974>

### **IFIC Bank to issue BDT5 Bn coupon bearing bond**

- IFIC Bank Limited has decided to issue its fourth coupon bearing bond worth BDT5 Bn to strengthen its Tier 2 capital as per Basel III requirements. The subordinated bond will be a non-convertible one, and its issuance is subject to approval of the Bangladesh Securities and Exchange Commission (BSEC) and Bangladesh Bank, according to the bank's filing on the websites of the stock exchanges on Sunday.

<https://www.tbsnews.net/economy/stocks/ific-bank-issue-tk500cr-coupon-bearing-bond-485574>

### **Increase IPO quota for MFs**

- Asset Management Companies (AMCs) have made a set of proposals, including an increase in IPO (initial public offering) quota for mutual funds (MFs), to boost investors' confidence in such funds. The proposals were placed at a meeting held at the office of the Bangladesh Securities and Exchange Commission (BSEC) on Sunday, with BSEC commissioner Dr Mizanur Rahman in the chair.

<https://today.thefinancialexpress.com.bd/stock-corporate/increase-ipo-quota-for-mfs-1661709106>

### **CAPM Unit Fund sees 47% drop in stock market income**

- Income from the capital market of the CAPM Unit Fund – an open-ended mutual fund – fell 47% year-on-year in fiscal 2021-22. According to the financials, the fund's income declined to BDT17.1 Mn in FY22, from BDT32.3 Mn in FY21. Also, its comprehensive income for FY22 declined to BDT26.7 Mn, a 55% drop from BDT60 Mn in FY21.

<https://www.tbsnews.net/economy/stocks/capm-unit-fund-sees-47-drop-stock-market-income-485006>

### **Walton sponsor director to offload 100,000 shares**

- Walton Hi-Tech Industries Ltd's Sponsor Director SM Ashrafal Alam has declared that he would sell 100,000 shares he holds in the secondary market of the DSE within the next 30 days, following the securities regulators' direction to increase free float shares to 10% in the stock market. Currently, Walton's free float shares are only 0.97% of its total shares on the DSE.

<https://www.tbsnews.net/economy/stocks/walton-sponsor-director-offload-1-lakh-shares-483942>

### **Metro Spinning share price jumps 57% in a month**

- The price per share of Metro Spinning Limited – a cotton yarn manufacturer – soared by 57% to BDT38.8 on 25 August this year from BDT24.7 on 27 July. The Dhaka Stock Exchange had asked the company to explain its unusual increase in stock price, to which it replied that there was no undisclosed price sensitive information behind the share price jump.

<https://www.tbsnews.net/economy/stocks/metro-spinning-share-price-jumps-57-month-485066>

## IMPORTANT DISCLOSURES

**Analyst Certification:** Each research analyst and research associate who authored this document and whose name appears herein certifies that the recommendations and opinions expressed in the research report accurately reflect their personal views about any and all of the securities or issuers discussed therein that are within the coverage universe.

**Disclaimer:** Estimates and projections herein are our own and are based on assumptions that we believe to be reasonable. Information presented herein, while obtained from sources we believe to be reliable, is not guaranteed either as to accuracy or completeness. Neither the information nor any opinion expressed herein constitutes a solicitation of the purchase or sale of any security. As it acts for public companies from time to time, BRAC-EPL may have a relationship with the above-mentioned company(s). This report is intended for distribution in only those jurisdictions in which BRAC-EPL is registered and any distribution outside those jurisdictions is strictly prohibited.

**Compensation of Analysts:** The compensation of research analysts is intended to reflect the value of the services they provide to the clients of BRAC-EPL. As with most other employees, the compensation of research analysts is impacted by the overall profitability of the firm, which may include revenues from corporate finance activities of the firm's Corporate Finance department. However, Research analysts' compensation is not directly related to specific corporate finance transaction.

**General Risk Factors:** BRAC-EPL will conduct a comprehensive risk assessment for each company under coverage at the time of initiating research coverage and also revisit this assessment when subsequent update reports are published, or material company events occur. Following are some general risks that can impact future operational and financial performance: (1) Industry fundamentals with respect to customer demand or product / service pricing could change expected revenues and earnings; (2) Issues relating to major competitors or market shares or new product expectations could change investor attitudes; (3) Unforeseen developments with respect to the management, financial condition or accounting policies alter the prospective valuation; or (4) Interest rates, currency or major segments of the economy could alter investor confidence and investment.

### BRAC EPL Stock Brokerage Limited

#### Research

Salim Afzal Shawon, CFA	Head of Research	<a href="mailto:salim@bracepl.com">salim@bracepl.com</a>	01708 805 221
Anika Mafiz	Research Analyst	<a href="mailto:anika.mafiz@bracepl.com">anika.mafiz@bracepl.com</a>	01708 805 206
Hossain Zaman Towhidi Khan	Senior Research Associate	<a href="mailto:hztowhidi.khan@bracepl.com">hztowhidi.khan@bracepl.com</a>	01708 805 224
Fahim Hassan	Research Associate	<a href="mailto:fahim.hassan@bracepl.com">fahim.hassan@bracepl.com</a>	01709 636 546
Billal Hossain	Research Associate	<a href="mailto:billal.hossain@bracepl.com">billal.hossain@bracepl.com</a>	01708 805 229
Md. Tanvir Ahmed	Research Associate	<a href="mailto:mtanvir.ahmed@bracepl.com">mtanvir.ahmed@bracepl.com</a>	01708 805 201

#### International Trade and Sales

Ahsanur Rahman Bappi	CEO	<a href="mailto:bappi@bracepl.com">bappi@bracepl.com</a>	01730 357 991
----------------------	-----	--	---------------

#### BRAC EPL Research

[www.bracepl.com](http://www.bracepl.com)

Symphony, Plot No.: S.E.(F) – 9(3rd Floor), Road No.: 142

Gulshan Avenue, Dhaka – 1212

Phone: + (880)-2-9852446-50

Fax: + (880)-2-9852451-52

E-Mail: [research@bracepl.com](mailto:research@bracepl.com)