

Capital Market Overview

The market closed in green this week. The benchmark index DSEX (+2.65%) gained 142.15 points and closed the week at 5,497.56 points. The blue-chip index DS30 (+1.50%) gained 28.77 points and stood at 1,951.34 points. The Shariah-based index DSES (+2.13%) gained 25.18 points and stood at 1,208.70 points. The large cap index CDSET (+1.24%) gained 12.92 points and closed at 1,056.17 points. DSEX, DS30, DSES and CDSET showed YTD returns of -11.99%, -6.81%, -11.39%, -12.19%, respectively.

Total Turnover During the Week (DSE): BDT 24.6 billion (USD 209 million)

Average Daily Turnover Value (ADTV): BDT 6.2 billion (Δ% Week: +9.9%)

Market P/E: 14.8x

Daily Index Movement during the Week

The market performed four sessions during this week. The market started on a negative note (-0.50%) on Sunday but turned positive (+0.22%) on Tuesday and remained positive throughout Wednesday (+0.63%) and Thursday (+2.30%).

Sectoral Performance

• All the financial sectors posted positive performance this week. General Insurance booked the highest gain of 5.75% followed by NBFII (+5.03%), Bank (+2.38%), Mutual Fund (+1.60%), and Life Insurance (+0.08%).

• All the non-financial (large-cap) sectors posted positive performance this week. Fuel & Power booked the highest gain of 3.23% followed by Engineering (+2.55%), Telecommunication (+2.15%), Food & Allied (+1.86%), and Pharmaceutical (+1.01%).

Macroeconomic arena

• Ctg marks 47% remittance growth in FY24. Economists, trade leaders call for delay in LDC graduation over export data errors. APPAREL | Chinese firm wants to invest USD 21.85 Mn in Bepza EZ. TELECOM | Mobile phone subscriptions up by 1.36 Mn in May. FUEL & ENERGY | Offshore bids: Petrobangla seeks deadline extension after foreign cos' request. Net reserves now USD 16.77 Bn, BB releases data for the first time. Bangladesh eyes longer-term loans at fixed rates to manage debt better. Sales of savings tools fall 309% in Jul-Apr of FY24. TRADE | Bangladesh cuts cash incentive for exporters further. BANK | Three Shariah-based banks account for 36% of FY24 remittances. BANK | BB injected USD 12.79 Bn into banks in FY24. BANK | BB cuts fees for CMSME credit guarantee facility. Remittance jumps 15.59% in June. Remittance hit USD 24 Bn in FY24, highest in three years. ENERGY | LNG subsidy may spike 27% in FY25 despite tariff hikes. BANK | BB halts daily repo facility to meet IMF condition. TRADE | Rise in cargo handling, revenue at Ctg port despite fewer ships.

• CERAMIC | Gas crisis cripples ceramic industry. BDT 7.97 Tn budget for FY2024-25 passed in Jatiya Sangsad. Finance bill passed: 15% tax for undisclosed money prevails. VAT exemptions dropped 17% in 2022. Individual taxpayers to prove their case. June reserves to surpass IMF target. But at what cost?. TRADE | Payment period for raw material imports extended till Dec. RMG | Further cuts in export incentives, RMG fears rise in costs. Bangladesh's forex reserves cross USD 27 Bn: Central bank. Record budget support helps govt meet IMF's reserve condition for first time. World Bank approves USD 650 Mn to help Bangladesh develop Bay Terminal. NBR receipts up 15% in 11 months. Cenbank signals more flexible exchange rate, monetary policy tightening. LDC exit: A win for the nation, but a loss for trade. Finance Bill set to tax individual investors' capital gains of over BDT 5 Mn: Sources. BANK | IMF suggests raising repo rate by 50 basis points by Dec.

Stock Market arena

• GHAIL | Regulator seeks BFIU help in probing Golden Harvest's fund 'misuse'. GP | GP served show-cause for not using allocated spectrum. BAYLEASING | Bay Leasing set to sell commercial floor of Le Meridien. BIFC | BIFC cuts loss by not receiving fresh deposits. LINDEBD | Linde Bangladesh transfers welding business to ESAB. ICB | ICB narrows investment target in stock market for FY25. FASFIN | BSEC recasts FAS Finance's Board. ISLAMICFIN | Islamic Finance incur losses in 2023. ISLAMIBANK | Islami Bank dethrones Sonali Bank to become largest lender by deposits. LANKABAFIN | LankaBangla Finance upgrades PCI DSS certification. ISLAMIBANK | Another sponsor director pulls out of Islami Bank. RNSPIN, FARCHEM | Post-merger R.N. Spinning, Far Chemical fail to heal wound of losses. LINDEBD | Linde Bangladesh profit drops over 74% in 2023. EXCHANGE | CDIP enters bond market to expand microfinance.

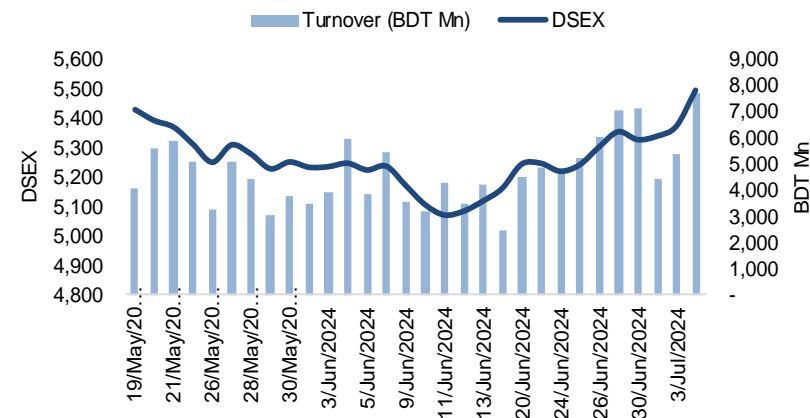
Table 1: Index

Index	Closing*	Opening*	Δ(Pts)	28-Dec-2023	Δ% Week	Δ% YTD
DSEX	5,497.56	5,355.41	+142.15	6,246.50	+2.65%	-11.99%
DS30	1,951.34	1,922.57	+28.77	2,093.83	+1.50%	-6.81%
DSES	1,208.70	1,183.52	+25.18	1,364.13	+2.13%	-11.39%
CDSET	1,056.17	1,043.25	+12.92	1,202.82	+1.24%	-12.19%

Table 2: Market Statistics

		This Week	Last Week	% Change
Mcap	Mn BDT	6,710,633	6,615,081	+1.4%
	Mn USD	56,870	56,060	
Turnover	Mn BDT	24,633	28,021	-12.1%
	Mn USD	209	237	
Average Daily Turnover	Mn BDT	6,158	5,604	+9.9%
	Mn USD	52	47	
Volume	Mn Shares	717	738	-2.8%

Figure 1: DSEX & Turnover in last four weeks



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Table 3: Top Ten Gainers

Company Name	Close*	Open*	Δ%	Mcap**	Turnover**	PE	PB
AFTABAUTO	37.5	30.9	+21.4%	3,958	227.1	NM	0.8x
SILCOPHL	21.0	17.4	+20.7%	2,180	63.5	512x	0.9x
RSRMSTEEL	15.7	13.3	+18.0%	1,589	6.9	NM	0.3x
GEMINISEA	280.9	239.0	+17.5%	3,001	240.3	39.8x	12.8x
DGIC	32.0	27.3	+17.2%	1,280	18.1	34.8x	2.6x
DESHBANDHU	28.8	24.6	+17.1%	1,767	66.4	48.8x	15x
SAIFPOWER	24.6	21.2	+16.0%	9,332	386.7	38.5x	16x
HEIDELBCEM	265.3	229.2	+15.8%	14,990	134.7	32.2x	3.6x
NAVANACNG	25.4	22.0	+15.5%	1,919	32.4	NM	0.8x
ADNTEL	107.0	92.7	+15.4%	6,918	145.3	NM	3.5x

Table 4: Top Ten Losers

Company Name	Close*	Open*	Δ%	Mcap**	Turnover**	PE	PB
CAPITECGBF	15.6	17.4	-10.3%	2,429	103.0	NM	16x
RUPALILIFE	187.3	202.5	-7.5%	5,622	265.1	NM	NM
ATLASBANG	69.6	75.1	-7.3%	2,306	7.2	NM	0.6x
PRAGATILIF	135.7	144.8	-6.3%	4,416	190.4	NM	NM
AL-HAJTEX	145.4	153.9	-5.5%	3,242	33.3	NM	16.0x
BIFC	9.0	9.5	-5.3%	906	2.9	NM	NM
LINDEBD	1230.5	1286.5	-4.4%	18,726	256.5	33.4x	3.1x
MBLSTMF	4.7	4.9	-4.1%	470	1.8	NM	0.5x
TILIL	45.5	47.3	-3.8%	1,820	21.0	NM	NM
JUTESPINN	286.1	297.2	-3.7%	486	0.7	NM	NM

Table 5: Top Ten Most Traded Shares

Company Name	Close*	Open*	Δ%	Mcap**	Turnover**	PE	PB
BEACHHATCH	80.3	76.3	+5.2%	3,325	552.5	416x	6.4x
ORIONPHARM	73.9	70.4	+5.0%	17,293	506.4	16.8x	0.8x
AIL	115.3	111.0	+3.9%	5,102	465.0	46.7x	4.8x
SALVOCHEM	44.0	43.0	+2.3%	2,861	394.2	216x	2.7x
SEAPEARL	93.0	93.2	-0.2%	11,230	392.7	312x	4.8x
SAIFPOWER	24.6	21.2	+16.0%	9,332	386.7	38.5x	16x
SONALIPAPR	302.0	272.2	+10.9%	9,949	330.9	91.8x	1.8x
BATBC	330.3	321.8	+2.6%	178,362	329.0	10.2x	3.4x
ASIATICLAB	50.7	51.3	-1.2%	6,205	328.2	NM	1.0x
LOVELLO	91.7	88.6	+3.5%	7,795	324.4	66.4x	6.9x

Table 6: Most Appreciated YTD in BRAC EPL Universe

Company Name	Close*	YTD %Δ	Mcap**	PE	PB
UNILEVERCL	2,823.7	+39.8%	54,425	63.1x	21.1x
BRACBANK	36.4	+11.8%	64,418	7.2x	0.9x
HEIDELBCEM	265.3	+10.8%	14,990	32.2x	3.6x
JAMUNAOIL	176.0	+4.5%	19,435	4.8x	0.8x
BERGERPBL	1,806.3	+1.8%	83,772	25.8x	6.2x
PRIMEBANK	213	+1.4%	24,118	4.8x	0.7x
SQURPHARMA	211.8	+0.7%	187,750	9.3x	1.5x
EBL	26.3	+0.6%	35,719	5.5x	0.8x
BATASHOE	97.13	+0.5%	13,287	29.6x	3.9x
MPETROLEUM	199.0	+0.2%	21,535	4.6x	0.9x

Table 7: Sector Indices

Sector Name	Week Close*	Week Open*	Year Open*	Δ% Week	Δ% YTD
Bank	1,325.9	1,295.1	1,455.32	+2.38%	-8.89%
NBFI	1,211.3	1,153.3	1,902.52	+5.03%	-36.33%
Mutual Fund	684.3	673.5	876.90	+1.60%	-21.96%
General Insurance	3,210.9	3,036.3	3,489.09	+5.75%	-7.97%
Life Insurance	2,099.2	2,097.6	2,637.78	+0.08%	-20.42%
Telecommunication	4,133.3	4,046.2	4,945.60	+2.15%	-16.42%
Pharmaceutical	3,230.6	3,198.3	3,732.58	+1.01%	-13.45%
Fuel & Power	1,268.0	1,228.3	1,691.80	+3.23%	-25.05%
Cement	2,400.7	2,333.2	2,523.22	+2.89%	-4.86%
Services & Real Estate	1,607.5	1,502.9	1,518.57	+6.96%	+5.86%
Engineering	3,194.0	3,114.5	4,520.40	+2.55%	-29.34%
Food & Allied	16,487.8	16,186.8	21,180.76	+1.86%	-22.16%
IT	2,693.6	2,489.2	2,894.80	+8.21%	-6.95%
Textile	1,274.4	1,225.8	1,658.23	+3.96%	-23.15%
Paper & Printing	7,282.8	6,855.2	10,093.63	+6.24%	-27.85%
Tannery	2,485.5	2,415.8	3,103.94	+2.89%	-19.92%
Jute	16,692.9	15,815.0	17,683.51	+5.55%	-5.60%
Ceramics	532.7	504.2	694.56	+5.67%	-23.30%
Miscellaneous	4,274.1	4,216.5	4,265.32	+1.37%	+0.21%

Table 8: Sector Trading Matrix

Sector Name	Daily average this Week	Daily average last Week	% Change	% of Total Turnover	PE	PB
Bank	291.4	342.0	-14.78%	+5.80%	7.3x	0.6x
NBFI	96.7	78.7	+22.80%	+1.93%	NM	NM
Mutual Fund	184.7	242.3	-23.80%	+3.68%	NM	0.6x
General Insurance	288.5	261.1	+10.52%	+5.74%	16.8x	14x
Life Insurance	195.7	277.9	-29.58%	+3.90%	NM	NM
Telecommunication	91.4	75.5	+20.98%	+1.82%	10.8x	2.9x
Pharmaceutical	911.9	820.8	+11.09%	+18.16%	16.7x	1.8x
Fuel & Power	170.2	160.9	+5.76%	+3.39%	21.9x	0.7x
Cement	105.5	88.7	+18.83%	+2.10%	16.6x	2.3x
Services & Real Estate	299.5	231.6	+29.32%	+5.96%	27.8x	0.6x
Engineering	505.5	308.1	+64.06%	+10.06%	15.4x	12x
Food & Allied	593.1	811.7	-26.93%	+11.81%	16.1x	5.1x
IT	235.0	123.7	+89.98%	+4.68%	29.2x	2.3x
Textile	539.3	406.5	+32.67%	+10.74%	NM	0.9x
Paper & Printing	154.7	80.2	+92.83%	+3.08%	46.9x	14x
Tannery	91.7	89.2	+2.78%	+1.82%	39.2x	2.6x
Jute	54.5	39.8	+36.91%	+1.09%	NM	NM
Ceramics	81.1	43.9	+84.61%	+1.61%	46.2x	14x
Miscellaneous	132.6	76.6	+73.13%	+2.64%	39.3x	18x

Table 9: Least Appreciated YTD in BRAC EPL Universe

Company Name	Close*	YTD %Δ	Mcap**	PE	PB
IPDC	20.7	-62.3%	8,066	23.3x	1.1x
DOREENPWR	27.5	-54.9%	4,981	6.9x	0.5x
ACI	131.9	-49.3%	10,052	NM	1.3x
BBSCABLES	27.3	-45.3%	5,780	NM	0.8x
BSCPLC	122.4	-44.1%	20,184	10.4x	1.3x
RUNNERAUTO	27.7	-42.8%	3,145	NM	0.5x
DBH	33.5	-40.9%	6,663	7.5x	0.8x
UPGDCL	140.3	-40.0%	81,331	10.9x	2.4x
TITASGAS	25.0	-38.9%	24,731	NM	0.4x
ESQUIRENT	21.4	-38.0%	2,887	NM	0.3x

Important News: Business, Economy & Sector

Financial account turns positive as govt adjusts data as per IMF advice

- The financial account has turned positive after more than a year, yet it might not be good news for Bangladesh since it is the result of the revision of national data in line with IMF prescription and does not indicate improvement in the health of the economy.

<https://www.thedailystar.net/business/news/financial-account-turns-positive-govt-adjusts-data-imf-advice-3648571>

Ctg marks 47% remittance growth in FY24

- In FY24, the district received remittances totalling USD 2.37 Bn, marking an increase of approximately USD 757 Mn compared to the USD 1.61 Bn sent by residents in the previous fiscal year.

<https://www.tbsnews.net/economy/ctg-marks-47-remittance-growth-fy24-891206>

Economists, trade leaders call for delay in LDC graduation over export data errors

- Economists and business leaders have urged the government to reconsider the scheduled LDC graduation by 2026, arguing that the country's policies – whether trade, fiscal, monetary, or GDP estimates – have been based on erroneous export figures, an issue that exporters have flagged for months.

<https://www.tbsnews.net/economy/economists-trade-leaders-call-delay-ldc-graduation-over-export-data-errors-891186>

APPAREL | Chinese firm wants to invest USD 21.85 Mn in Bepza EZ

- Chinese company Unicorn Handbag has expressed interest in investing USD 21.85 Mn in Bepza Economic Zone (Bepza EZ) in Mirsharai, Chattogram to set up a carry bag and luggage manufacturing industry.

<https://www.thedailystar.net/business/news/chinese-firm-wants-invest-2185m-bepza-ez-3648126>

TELECOM | Mobile phone subscriptions up by 1.36 Mn in May

- The total number of mobile phone subscriptions rose to 195.1 Mn in May, up from 193.7 Mn in April, as all four operators saw an increase in subscribers.

<https://www.tbsnews.net/economy/mobile-phone-subscriptions-136-lakh-may-891211>

FUEL & ENERGY | Offshore bids: Petrobangla seeks deadline extension after foreign cos' request

- Bangladesh Oil, Gas, and Mineral Resources Corporation (Petrobangla) has proposed to the Ministry of Power, Energy and Mineral Resources an extension for the submission deadline of offshore oil and gas exploration bids in response to requests from several foreign companies.

<https://www.tbsnews.net/bangladesh/energy/offshore-bids-petrobangla-seeks-deadline-extension-after-foreign-cos-request>

Net reserves now USD 16.77 Bn, BB releases data for the first time

- As per the BPM6 method, the gross reserves stood at USD 21.83 Bn on June 30, up from USD 19.4 Bn on June 26.

<https://www.thedailystar.net/business/economy/news/net-reserves-now-1677b-bb-releases-data-the-first-time-3647666>

Bangladesh eyes longer-term loans at fixed rates to manage debt better

- According to the government's Medium Term Debt Management Strategy, the risk emanating from the existing debt portfolio is moderate primarily because most loans are denominated in the local currency while external loans have a long maturity period.

<https://www.thedailystar.net/business/news/bangladesh-eyes-longer-term-loans-fixed-rates-manage-debt-better-3647681>

Sales of savings tools fall 309% in Jul-Apr of FY24

- The Bangladesh Bank data shows negative growth in savings instruments of BDT 146.48 Bn for July-April of FY24. In contrast, sales of savings certificates during the same period in FY23 exceeded BDT 35.79 Bn.

<https://thefinancialexpress.com.bd/economy/bangladesh/sales-of-savings-tools-fall-309pc-in-jul-apr-of-fy24>

TRADE | Bangladesh cuts cash incentive for exporters further

- The government has further cut export subsidies for almost all sectors to reduce pressure on the coffer and encourage exporters to prepare for competing in the global market without state support after the country graduates from least developed country (LDC) status in 2026.

<https://www.thedailystar.net/business/news/bangladesh-cuts-cash-incentive-exporters-further-3646261>

BANK | Three Shariah-based banks account for 36% of FY24 remittances

- Three Sharia-compliant banks played a key role in remittance growth in the just-concluded fiscal year, contributing a significant 36.13% (USD 8.64 Bn) of the total remittances received, according to central bank data.

<https://www.tbsnews.net/bangladesh/three-shariah-based-banks-account-36-fy24-s-890376>

BANK | BB injected USD 12.79 Bn into banks in FY24

- The Bangladesh Bank injected USD 12.79 Bn into banks from its reserves in the just-concluded 2023-24 fiscal year as banks combatted a severe US dollar crisis which hampered import payments.

<https://www.thedailystar.net/business/news/bb-injected-1279b-banks-fy24-3647671>

BANK | BB cuts fees for CMSME credit guarantee facility

- The Bangladesh Bank has reduced fees payable against credit guarantee facility for entrepreneurs in cottage, micro, small and medium enterprises (CMSMEs) and financial inclusion sectors.

<https://www.thedailystar.net/business/news/bb-cuts-fees-cmsme-credit-guarantee-facility-3647646>

Remittance jumps 15.59% in June

- Remittance inflow to Bangladesh rose 15.59% year-on-year to USD 2.54 Bn in June, the last month of the just concluded 2023-24 fiscal year, as the migrant workers sent more money home on the occasion of the Eid-ul-Azha.

<https://www.thedailystar.net/business/news/remittance-jumps-1559-june-3646386>

Remittance hit USD 24 Bn in FY24, highest in three years

- As per the latest data from the Bangladesh Bank, remittance inflow stood at USD 23.91 Bn in FY24, rising by 10.66% compared to the year prior.

<https://www.thedailystar.net/business/news/remittance-hit-24b-fy24-highest-three-years-3646901>

ENERGY | LNG subsidy may spike 27% in FY25 despite tariff hikes

- Government's subsidy for liquefied natural gas (LNG) procurement is set to surge 27.27% year on year to BDT 70 Bn in FY2024-25, starting from today (Monday). This comes despite the authorities raising gas tariffs at least five times in the past six years and the International Monetary Fund (IMF) pushing for phasing out energy subsidies.

<https://thefinancialexpress.com.bd/economy/bangladesh/lng-subsidy-may-spike-27pc-in-fy25-1>

NBR abandons plans to cut tax for AC, fridge and bike makers

- The tax administration backtracked from its decision to levy a 5% tax on incomes generated by manufacturers of motorcycles, air conditioners and refrigerators until 2032, raising it to the previous rate of 10%.

<https://www.thedailystar.net/business/news/bangladesh-cuts-cash-incentive-exporters-further-3646261>

Government doubles emergency WMA, overdraft borrowings

- From now on, the government can borrow a total of BDT 300 Bn daily from the two Bangladesh Bank mechanisms: BDT 150 Bn from WMA and as much from OD. Earlier, the limit was BDT 80 Bn each. Until January last year, the limit had been BDT 60 Bn for each of the instruments.

<https://thefinancialexpress.com.bd/economy/government-doubles-emergency-wma-overdraft-borrowings>

BANK | BB halts daily repo facility to meet IMF condition

- The Bangladesh Bank (BB) has stopped the daily repo facility for banks in line with one of the conditions provided by the International Monetary Fund (IMF) for a USD 4.7 Bn loan programme.

<https://www.thedailystar.net/business/economy/news/bb-halts-daily-repo-facility-meet-imf-6>

TRADE | Rise in cargo handling, revenue at Ctg port despite fewer ships

- In the just concluded fiscal 2023-24, Chattogram Port witnessed a paradoxical trend – a 6.63% decline in ship handlings juxtaposed with a notable rise in container and cargo handling by 5.36% and 4.18%, respectively.

<https://www.tbsnews.net/economy/rise-cargo-handling-revenue-ctg-port-despite-fewer-ships-889436>

CERAMIC | Gas crisis cripples ceramic industry

- A crippling gas shortage exceeding a month has plunged the ceramic industry into crisis, with many factories being forced to keep their machinery idle and teetering on the brink of closure.

<https://www.tbsnews.net/economy/industry/gas-crisis-cripples-ceramic-industry-888751>

BDT 7.97 Tn budget for FY2024-25 passed in Jatiya Sangsad

- The parliament has passed the BDT 7.97 Tn national budget for FY2024-25 – with the goal of achieving a 6.75% GDP growth rate and keeping annual inflation at around 6.50%.

<https://www.tbsnews.net/economy/budget/tk797-lakh-crore-budget-fy2024-25-passed-jatiya-sangsad-6>

Finance bill passed: 15% tax for undisclosed money prevails

- Despite substantial criticism from economists, trade bodies, and civil society organisations, the Finance Bill 2024 has been passed in parliament retaining the scope for whitening undisclosed money by paying only a 15% tax for businesses and high-income individuals.

<https://www.tbsnews.net/bangladesh/js-passes-finance-bill-887656>

VAT exemptions dropped 17% in 2022

- The National Board of Revenue (NBR) exempted various goods and services from value-added tax (VAT) payments to the tune of BDT 1295.70 Bn in 2022 to give some relief to citizens and facilitate industrialisation, thereby accelerating economic growth.

<https://www.thedailystar.net/business/news/vat-exemptions-dropped-17-2022-3646081>

Individual taxpayers to prove their case

- Individual investors will be responsible for settling the payment of capital gain tax if their profits exceed BDT 5 Mn. The tax rate is fixed at 15% on the excess amount earned from transactions of shares that the investor has held onto for five years or more.

<https://today.thefinancialexpress.com.bd/stock-corporate/individual-taxpayers-to-prove-their-case-17193>

June reserves to surpass IMF target. But at what cost?

- Bangladesh's net foreign exchange reserve is going to cross the USD 14.7 Bn target set for June by the International Monetary Fund (IMF) for the first time since the multilateral lender's USD 4.7 Bn loan package was approved in February last year.

<https://www.tbsnews.net/economy/june-reserves-surpass-imf-target-what-cost-887851>

TRADE | Payment period for raw material imports extended till Dec

- Bangladesh Bank has extended the usance period—the allowable time between the date of the bill and the date of payment—by another six months for the imports of industrial raw materials, agricultural machinery and chemical fertilisers.

<https://www.thedailystar.net/business/news/payment-period-raw-material-imports-extended-till-dec-3641>

RMG | Further cuts in export incentives, RMG fears rise in costs

- Apparel sector – the single largest export earner, also the biggest beneficiary of generous support – is going to lose the most as incentives for all export items have been reduced for the second time in five months under the government's plan to prepare the private sector for LDC graduation in 2026.

<https://www.tbsnews.net/economy/banking/incentives-exports-cut-50-43-products-tomorrow-888401>

Bangladesh's forex reserves cross USD 27 Bn: Central bank

- Bangladesh's foreign exchange gross reserves have crossed USD 27 Bn as the International Monetary Fund (IMF) and other lenders have provided the country with USD 2.25 Bn in loans recently, the central bank claimed on Friday.

<https://www.tbsnews.net/economy/forex-reserves-cross-26b-imf-others-gave-225b-loans-cenbank-88611>

Record budget support helps govt meet IMF's reserve condition for first time

- Bangladesh will fulfil the International Monetary Fund's condition on foreign exchange reserves in June on the back of record budget assistance from global creditors, the first time since the IMF approved its USD 4.7 Bn loan programme more than a year ago.

<https://www.thedailystar.net/business/economy/news/record-budget-support-helps-govt-imfs-reserve-6>

World Bank approves USD 650 Mn to help Bangladesh develop Bay Terminal

- The new, modern Bay Terminal, to be operated by leading international terminal operators, will accommodate larger vessels, such as panamax vessels, and substantially decrease vessel turnaround time, potentially saving the economy about USD 1 Mn daily.

<https://www.thedailystar.net/business/news/world-bank-approves-650-million-help-bangladesh-develop-6>

NBR receipts up 15% in 11 months

- As of the end of May, the board was still short by over BDT 850 Bn of the government's revised goal for raising BDT 4100 Bn by the end of fiscal year 2023-24, which ends on June 30.

<https://www.thedailystar.net/business/news/nbr-receipts-15-11-months-3643726>

Cenbank signals more flexible exchange rate, monetary policy tightening

- The central bank hinted that it would go for further flexibility of exchange rate after introducing the crawling peg system in May this year, a move that will allow the value of the BDT to fluctuate more freely in response to market forces, such as supply and demand, rather than being tightly controlled or pegged to another currency.

<https://www.tbsnews.net/economy/banking/cenbank-signals-more-flexible-exchange-rate-monetary-po6>

LDC exit: A win for the nation, but a loss for trade

- Bangladesh's graduation from the group of least-developed countries (LDCs) to a developing nation in 2026 has become a point of national pride, underlining the substantial economic strides that the country has made.

<https://www.thedailystar.net/business/economy/news/ldc-exit-win-the-nation-loss-trade-3644396>

Finance Bill set to tax individual investors' capital gains of over BDT 5 Mn:**Sources**

- The amended Finance Bill is set to continue the initial proposal for taxing individual investors' capital gains of over BDT 5 Mn from publicly listed shares of fund units, according to parliament sources.

<https://www.tbsnews.net/economy/stocks/finance-bill-set-tax-individual-investors-capital-gains-over-tk50-lakh-sources-887386>

BANK | IMF suggests raising repo rate by 50 basis points by Dec

- The Consumer Price Index surged to a 12-year high of 9.02% in the last financial year, way higher than the historical average. The trend has continued into the ongoing financial year and has stayed above 9.5%, hurting the poor and low-income groups hard because their purchasing power has witnessed significant erosion.

<https://www.thedailystar.net/business/news/imf-suggests-raising-repo-rate-50-basis-points-dec-3643736>

Important News: Capital Market

GHAIL | Regulator seeks BFIU help in probing Golden Harvest's fund 'misuse'

- The Bangladesh Securities and Exchange Commission (BSEC) has asked the Bangladesh Financial Intelligence Unit (BFIU) to investigate a potential misuse or unauthorised handling of a BDT 220 Mn Fixed Deposit Receipt (FDR) by Golden Harvest Agro Industries Ltd.

<https://www.tbsnews.net/economy/stocks/regulator-seeks-bfiu-help-probing-golden-harvests-fund-misuse-891251>

GP | GP served show-cause for not using allocated spectrum

- The telecom regulator has issued a show-cause notice to Grameenphone for "not using the allocated spectrum", affecting the quality of service used by more than 43% of the country's mobile phone subscribers.

<https://www.thedailystar.net/business/news/gp-served-show-cause-not-using-allocated-spectrum-3648546>

BAYLEASING | Bay Leasing set to sell commercial floor of Le Meridien

- According to a disclosure published on the Dhaka Stock Exchange (DSE) on Wednesday, the board of directors has approved the sale of the 5,265 square feet commercial floor.

<https://www.tbsnews.net/economy/stocks/bay-leasing-set-sell-commercial-floor-le-meridien-891246>

BIFC | BIFC cuts loss by not receiving fresh deposits

- Trouble-ridden Bangladesh Industrial Finance Company (BIFC) showed a slight reduction in its sky-high losses in a delayed financial statement published on Tuesday. In the earnings report, it showed a 22.5% year-on-year decline in loss to about BDT 763 Mn for 2022, without explaining how it did so.

<https://thefinancialexpress.com.bd/stock/bangladesh/bifc-cuts-loss-by-not-receiving-fresh-deposits>

LINDEBD | Linde Bangladesh transfers welding business to ESAB

- Linde Bangladesh transferred its major revenue-generating segment, the welding electrodes business, to the ESAB Group on Tuesday, but the transfer value was not disclosed.

<https://www.tbsnews.net/economy/stocks/linde-bangladesh-transfers-welding-business-esab-890336>

ICB | ICB narrows investment target in stock market for FY25

- The Investment Corporation of Bangladesh, whose primary mandate is to support the capital market, has reduced its investment target by approximately 30% in the stock market for the current fiscal year 2024-25 due to a lack of financial support sources.

<https://www.tbsnews.net/economy/stocks/icb-narrows-investment-target-stock-market-fy25-890326>

FASFIN | BSEC recasts FAS Finance's Board

- In a move to protect investor interests, the Bangladesh Securities and Exchange Commission (BSEC) has nominated five independent directors to the board of FAS Finance and Investment Limited, a non-bank financial institution which is currently experiencing underperformance.

<https://www.tbsnews.net/economy/stocks/bsec-recasts-fas-finances-board-890306>

ISLAMICFIN | Islamic Finance incur losses in 2023

- Islamic Finance and Investment Limited, a non-bank financial institution (NBFI), incurred a loss of BDT 230 Mn in 2023. According to its financial statement for 2023, approved at a meeting on 30 June, the company reported a negative earnings per share of BDT 1.64, compared to a positive BDT 0.30 in the previous year.

<https://www.tbsnews.net/economy/stocks/islamic-finance-incur-losses-2023-889476>

ISLAMIBANK | Islami Bank dethrones Sonali Bank to become largest lender by deposits

- Sonali Bank, the largest state-run lender, mobilised deposits worth BDT 1506.06 Bn, up 6%, according to the financial reports. This makes Islami Bank the largest bank in Bangladesh in terms of deposits and loans (investments). Its lending has been much higher than the state-run lender for several years.

<https://www.thedailystar.net/business/news/islami-bank-dethrones-sonali-bank-become-largest-lender-deposits-3646091>

LANKABAFIN | LankaBangla Finance upgrades PCI DSS certification

- This certification acknowledges the company's adherence to the mandatory controls established by the PCI SSC, utilising advanced technology to ensure the effectiveness, efficiency, confidentiality, and integrity of its credit card business operations.

<https://www.thedailystar.net/business/organisation-news/news/lankabangla-finance-upgrades-pci-dss-certification-3645776>

ISLAMIBANK | Another sponsor director pulls out of Islami Bank

- Bangladesh Islamic Centre, a corporate sponsor of Islami Bank Bangladesh PLC, is going to sell its entire stake in the Shariah-based lender, joining a group of investors who have pulled out of the troubled bank.

<https://www.thedailystar.net/business/news/another-sponsor-director-pulls-out-islami-bank-3643881>

RNSPIN, FARCHEM | Post-merger R.N. Spinning, Far Chemical fail to heal wound of losses

- A BDT 100 investment in R.N. Spinning Mills has eroded to around BDT 37 only on the Dhaka Stock Exchange (DSE) by Thursday since the listed company merged with non-listed Samin Food and Beverage Inds and Textile Mills. Hence, the assets' worth has been reduced by nearly 63%.

<https://today.thefinancialexpress.com.bd/stock-corporate/post-merger-rn-spinning-far-chemical-fail-to-heal-wound-of-losses-1719677195>

LINDEBD | Linde Bangladesh profit drops over 74% in 2023

- Linde Bangladesh Limited — a listed multinational gas producer — witnessed a 74% drop in profit in 2023 as inflation spiked business costs, narrowing the profit margin, according to the company's financial statement.

<https://www.tbsnews.net/economy/stocks/linde-bangladesh-profit-drops-over-74-2023-887686>

EXCHANGE | CDIP enters bond market to expand microfinance

- The Centre for Development Innovation and Practices (CDIP), an NGO dedicated to the socio-economic development of disadvantaged people, plans to extend its microfinance services by raising BDT 1.71 Bn through bonds to serve rural customers better.

<https://www.tbsnews.net/economy/stocks/cdip-enters-bond-market-expand-microfinance-887786>

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