

Capital Market Overview

The market closed in red this week. The benchmark index DSEX (-1.15%) lost -75.26 points and closed the week at 6,494.25 points. The blue-chip index DS30 (-2.27%) lost -53.51 points and stood at 2,308.06 points. The Shariah-based index DSES (-1.65%) lost -23.78 points and stood at 1,419.70 points. The large cap index CDSET (-1.74%) lost -22.28 points and closed at 1,259.43 points. DSEX, DS30, DSES and CDSET showed YTD returns of -3.88%, -8.87%, -0.80%, -7.34%, respectively.

Total Turnover During the Week (DSE): BDT 48.3 billion (USD 459 million)
Average Daily Turnover Value (ADTV): BDT 12.1 billion (Δ% Week: -8.4%)
Market P/E: 15.7x

Daily Index Movement during the Week

Market performed four sessions during this week. Market started on a negative note (-1.82%) on Monday. It turned positive (+0.00%) on Tuesday. It remained positive on Wednesday (+0.79%) and turned negative on Thursday (-0.10%). The market did not open on Sunday due to government holiday.

Sectoral Performance

Financial sectors posted mixed performance this week. General Insurance booked the highest gain of 2.52% followed by Mutual Fund (0.00%). NBF1 experienced the highest loss of 2.12% followed by Life Insurance (-1.89%), Bank (-0.40%).

All the non-financial sectors registered negative performance this week. Pharmaceutical experienced the highest loss of 1.70% followed by Fuel & Power (-1.45%), Engineering (-0.77%), Food & Allied (-0.37%), and Telecommunication (-0.06%).

Macroeconomic arena

Bangladesh's apparel shipment to US rises 53.54%. Lending rates likely to go up. Shipbreaking slumps by half amid lower imports. BB raises its dollar selling rate by BDT1. Freight forwarders seek bonded warehouses to handle export cargoes. BB orders to tighten monitoring to stop cryptocurrency transactions. Saudi company keen to invest at Patenga container terminal. India's tariff body for anti-dumping duty on Bangladeshi jute goods for another 5yrs. Cross-check commodity prices for import. Internet banking transactions double in July. Bangladesh gets up to 83% lower price than rivals. BB relaxes rules on borrowing to exporters. IMF cuts Bangladesh's GDP growth projection to 6% for FY23. ADP implementation rate rises to 9.43% in first quarter. ECNEC approves six projects worth BDT 70.19 Bn. Remittance from USA tops Q1 outlook. Worsening electricity supply fresh blow to industries. USD770 Mn instant foreign currency transactions in first month.

Bangladesh has huge export potential in Kosovo: DCCI. Dollar rate gap between LCs, export earnings should be maximum BDT1: BKMEA. Labour migration may exceed pre-Covid levels. Bangladesh-Japan trade to cross USD20 Bn by 2030. Bangladesh set to adopt USD230 Bn plan to mitigate impacts of climate change. Govt securities to trade in bourses from Monday. Loan write-off declines. Naogaon hand-made prayer caps usher BDT10 Bn export potential. Bangladesh's economy in solid position despite global downturn: Economists. World Bank cuts Bangladesh GDP growth forecast to 6.1% for FY22-23. With jute mills closed, mounting loans weigh on BJMC. Heavy taxes an impediment for furniture export growths. Faucet market grows as urbanisation leads to increased demand. Hilsa export to India: Bangladesh earned USD13.6 Mn this year so far.

Stock Market arena

BRACBANK | Brac Bank, TTC Kurigram sign deal. MTB | BSEC approves MTB's BDT 5 Bn bond. MERCANBANK | Mercantile Bank, Pran-RFL Group sign deal. BSCCL | BSCCL's profit jumps 31 % in 2021-22. LANKABAFIN | LankaBangla Securities Limited trade treasury bonds in DSE, CSE. EXCHANGE | Treasury bonds push DSE market cap by 48%, yet no trade on trial session. WALTONHIL | Walton brings new models of refrigerators. EXCHANGE | BSEC to launch Orange Bonds in aid of women entrepreneurs. EXCHANGE | Trading of govt bonds takes place. CITYBANK | City Bank launches Islamic savings. NCCBANK | NCC Bank provides loan to startup. SPCL | Petromax Refinery moves to market-linked pricing model for its gasoline. BEXIMCO | Beximco raises EUR32.5m from Dutch bank. SEAPEARL | Sea Pearl posts stellar profit growth in FY22. PUBALIBANK | Pubali Bank on a tear. SINOBANGLA | Sino-Bangla JV to invest USD15.63 Mn in Ishwardi EPZ. SINGERBD | Singer investing USD78 Mn in new plant. Dhaka Bank | Dhaka Bank allowed to issue BDT2 Bn bond. BARAKAPOWERS | BSEC rejects Baraka Power's BDT1.5 Bn bond issuance move.

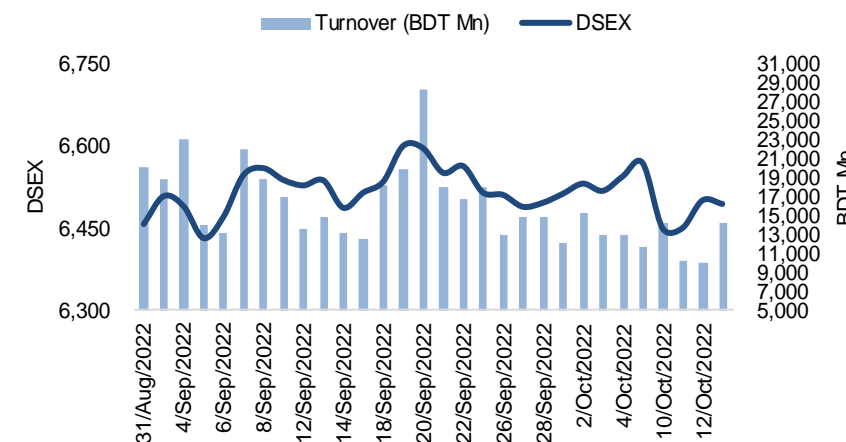
Table 1: Index

Index	Closing*	Opening*	Δ(Pts)	30-Dec-2021	Δ% Week	Δ% YTD
DSEX	6,494.25	6,569.51	-75.26	6,756.66	-1.15%	-3.88%
DS30	2,308.06	2,361.57	-53.51	2,532.58	-2.27%	-8.87%
DSES	1,419.70	1,443.48	-23.78	1,431.12	-1.65%	-0.80%
CDSET	1,259.43	1,281.71	-22.28	1,359.13	-1.74%	-7.34%

Table 2: Market Statistics

		This Week	Last Week	% Change
M cap	M n BDT	7,739,396	5,216,765	+48.4%
	M n USD	73,561	49,584	
Turnover	M n BDT	48,329	52,782	-8.4%
	M n USD	459	502	
Average Daily Turnover	M n BDT	12,082	13,195	-8.4%
	M n USD	115	125	
Volume	M n Shares	747	938	-20.4%

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
MONOSPOOL	360.8	267.2	+35.0%	3,387	7410	66.2x	8.0x
IBP	27.4	210	+30.5%	3,184	1,222.9	27.0x	19x
ORIONINFU	951.3	753.7	+26.2%	19,368	1,090.0	NM	70.2x
NAVANACNG	35.8	29.2	+22.6%	2,576	275.3	NM	1.1x
AFTABAUTO	34.4	29.0	+18.6%	3,458	216.1	NM	0.6x
PAPERPROC	287.0	245.2	+17.0%	2,999	963.1	62.1x	9.1x
MONNOCERA	120.3	103.9	+15.8%	4,538	568.1	NM	14x
EHL	127.8	110.7	+15.4%	11,930	2,160.9	217x	18x
ISNLTD	62.8	54.7	+14.8%	686	146.7	NM	217x
APEXFOODS	289.6	254.6	+13.7%	1,651	3,415	NM	2.2x

Table 4: Top Ten Losers

Company Name	Close*	Open*	Δ%	Mcap**	Turnover**	PE	PB
BSC	139.2	157.0	-11.3%	21,233	861.0	10.3x	2.0x
BEACONPHAR	340.7	380.8	-10.5%	78,702	355.2	84.1x	13.5x
BPML	76.1	84.7	-10.2%	13,226	486.6	28.1x	17x
COPPERTECH	46.0	51.1	-10.0%	2,898	452.3	26.6x	3.5x
ORIONPHARM	133.7	148.0	-9.7%	31,286	4,237.1	32.6x	16x
NPOLYMER	56.7	62.7	-9.6%	4,138	232.7	18.5x	2.0x
SPCL	78.0	85.8	-9.1%	13,997	312.3	10.4x	2.0x
KOHINOOR	623.8	686.0	-9.1%	15,926	156.3	56.8x	11.0x
BBSCABLES	55.3	60.5	-8.6%	11,150	553.9	14.3x	16x
MALEKSPIN	34.5	37.5	-8.0%	6,679	276.7	8.0x	0.7x

Table 5: Top Ten Most Traded Shares

Company Name	Close*	Open*	Δ%	Mcap**	Turnover**	PE	PB
ORIONPHARM	133.7	148.0	-9.7%	31,286	4,237.1	32.6x	16x
BEXIMCO	130.2	131.3	-0.8%	114,097	3,630.5	7.9x	15x
EHL	127.8	110.7	+15.4%	11,930	2,160.9	217x	18x
SONALIPAPR	784.5	699.3	+12.2%	25,846	1,630.9	83.1x	4.7x
IBP	27.4	210	+30.5%	3,184	1,222.9	27.0x	19x
JHRML	124.3	130.0	-4.4%	15,574	1,123.8	42.0x	4.1x
ORIONINFU	951.3	753.7	+26.2%	19,368	1,090.0	NM	70.2x
BBS	310	33.2	-6.6%	5,051	1,086.1	27.8x	2.0x
SEAPEARL	146.9	131.6	+11.6%	17,738	1,059.7	54.4x	11.3x
PAPERPROC	287.0	245.2	+17.0%	2,999	963.1	62.1x	9.1x

Table 6: Most Appreciated YTD in BRAC EPL Universe

Company Name	Close*	YTD %Δ	Mcap**	PE	PB
IPDC	57.6	+49.2%	21,375	23.4x	3.4x
ADNTEL	77.5	+47.9%	5,011	29.9x	2.9x
UNIQUEHRL	70.0	+39.4%	20,608	23.9x	0.7x
SQUARETEXT	67.5	+29.3%	13,315	7.7x	15x
CROWNCEMNT	74.4	+19.6%	11,048	37.8x	14x
TRUSTBANK	34.9	+15.3%	27,166	10.5x	13x
EGEN	54.2	+14.1%	4,065	37.9x	2.5x
TITASGAS	40.9	+12.7%	40,459	12.7x	0.6x
IBNSINA	301.7	+11.2%	9,426	15.6x	3.6x
SHASHADNIM	27.0	+10.2%	3,808	14.7x	0.6x

Table 7: Sector Indices

Sector Name	Week Close*	Week Open*	Year Open*	Δ% Week	Δ% YTD
Bank	1,438.8	1,444.5	1,589.69	-0.40%	-9.49%
NBFI	1,948.8	1,991.1	2,327.63	-2.12%	-16.27%
Mutual Fund	854.3	854.3	882.99	-	-3.25%
General Insurance	3,222.3	3,143.1	4,698.62	+2.52%	-31.42%
Life Insurance	2,388.3	2,434.3	2,687.55	-1.89%	-11.13%
Telecommunication	4,945.6	4,948.5	5,800.37	-0.06%	-14.74%
Pharmaceutical	3,995.2	4,064.4	3,866.63	-1.70%	+3.32%
Fuel & Power	1,710.4	1,735.6	1,792.97	-1.45%	-4.60%
Cement	2,499.5	2,558.3	2,534.76	-2.30%	-1.39%
Services & Real Estate	1,945.1	1,888.7	1,309.43	+2.99%	+48.55%
Engineering	4,577.1	4,612.6	4,727.46	-0.77%	-3.18%
Food & Allied	21,277.2	21,355.3	25,222.81	-0.37%	-15.64%
IT	2,832.6	2,935.8	3,274.61	-3.52%	-13.50%
Textile	1,693.2	1,692.5	1,470.60	+0.04%	+15.13%
Paper & Printing	12,331.4	11,618.7	9,680.03	+6.13%	+27.39%
Tannery	3,103.8	3,126.7	3,236.76	-0.73%	-4.11%
Jute	12,056.3	11,118.6	8,747.84	+8.43%	+37.82%
Ceramics	731.3	741.5	675.88	-1.38%	+8.20%
Miscellaneous	4,518.8	4,611.1	4,625.39	-2.00%	-2.30%

Table 8: Sector Trading Matrix

Sector Name	Daily average this Week	Daily average last Week	% Change	% of Total Turnover	PE	PB
Bank	1519	135.4	+12.20%	+1.35%	7.7x	0.8x
NBFI	282.3	419.3	-32.67%	+2.50%	NM	3.8x
Mutual Fund	19.6	8.4	+134.00%	+0.17%	NM	0.8x
General Insurance	167.7	87.0	+92.84%	+1.49%	15.1x	15x
Life Insurance	172.0	202.7	-15.13%	+1.53%	NM	NM
Telecommunication	111.2	112.5	-1.17%	+0.99%	15.5x	4.6x
Pharmaceutical	2,540.7	2,329.5	+9.07%	+22.53%	18.8x	2.7x
Fuel & Power	513.3	773.8	-33.67%	+4.55%	11.4x	1.1x
Cement	165.0	173.2	-4.75%	+1.46%	26.1x	2.6x
Services & Real Estate	1,145.8	1,212.8	-5.52%	+10.16%	7.14x	15x
Engineering	1,474.7	2,220.8	-33.60%	+13.08%	20.3x	19x
Food & Allied	420.4	343.5	+22.39%	+3.73%	22.8x	8.0x
IT	390.1	556.7	-29.92%	+3.46%	30.5x	2.6x
Textile	566.2	871.6	-35.04%	+5.02%	26.8x	1.1x
Paper & Printing	1,003.1	674.8	+48.64%	+8.89%	NM	3.3x
Tannery	71.9	76.5	-6.05%	+0.64%	35.1x	3.2x
Jute	81.5	30.2	+169.78%	+0.72%	NM	41.6x
Ceramics	417.7	428.5	-2.53%	+3.70%	31.7x	2.0x
Miscellaneous	1,581.7	1,867.6	-15.31%	+14.03%	12.4x	2.1x

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
OLYMPIC	120.1	-25.2%	24,013	16.4x	2.6x
BRACBANK	38.5	-25.2%	57,619	11.3x	10x
ACTIVEFINE	19.3	-24.6%	4,631	83.9x	0.9x
CONFIDCEM	95.2	-21.9%	7,448	10.7x	12x
BATBC	518.7	-18.4%	280,098	18.1x	7.4x
IDLC	46.9	-18.3%	19,496	9.8x	1.1x
GP	286.6	-18.0%	386,996	11.4x	7.7x

Important News: Business & Economy

Bangladesh's apparel shipment to US rises 53.54%

- Bangladesh's garment shipment to the country's single largest export destination, the USA, rose 53.54% year-on-year to USD6.64 Bn in the January-August period of the current year, according to data from the USA's Office of Textiles and Apparel (OTEXA).
- Bangladesh remained the third largest apparel import source for the USA, the report said. In the January-August period, the United States of America imported USD69.27 Bn worth of apparels from the world, registering 37.35% rise year-on-year, the data also said.

<https://www.thedailystar.net/business/news/bangladeshs-apparel-shipment-us-rises-5354-3141101>

Lending rates likely to go up

- The central bank is mulling an increase in lending rates as interest rates on deposits have kept rising amid soaring inflation. In June 2021, when the central bank capped the lending rates at 9%, deposit rates were above 5.64% – the average inflation. Interest rate spread – lending rate minus deposit rate – was okay then.

<https://www.tbsnews.net/economy/banking/lending-rates-likely-go-512706>

Shipbreaking slumps by half amid lower imports

- Scrap vessel imports slumped by half in the first nine months of the year as Bangladesh Bank is discouraging lenders from opening letters of credit to curb the depletion of forex reserves amid the soaring cost of the US dollar.
- Shipbreaking yards in the country imported a total of 114 vessels between January and September, down by about 49% from 225 during the same period a year ago.

<https://www.thedailystar.net/business/economy/news/shipbreaking-slumps-half-amid-lower-imports-3140436>

BB raises its dollar selling rate by BDT1

- The Bangladesh Bank has raised the rate of dollars sold from its reserves by BDT1 to BDT97, deviating from its own floating exchange rate decision. Since July this fiscal year, the Bangladesh Bank has raised the dollar rate eight times. On Wednesday, it sold USD80 Mn to state-owned banks for settlements of government's import payments at the new rate.

<https://www.tbsnews.net/economy/banking/bb-raises-its-dollar-selling-rate-tk1-512702>

Freight forwarders seek bonded warehouses to handle export cargoes

- The government should allow freight forwarders to set up and run bonded warehouse facilities with a view to handling export and import cargoes smoothly, said Bangladesh Freight Forwarders Association (BAFFA) Vice President Khairul Alam Suzan.
- "If freight forwarders are permitted to operate bonded warehouses or cargo freight stations (CFSs), the current reliance on the inland container depots in handling 100% of the export cargoes would be reduced."

<https://www.thedailystar.net/business/economy/news/freight-forwarders-seek-bonded-warehouses-handle-export-cargoes-3140431>

BB orders to tighten monitoring to stop cryptocurrency transactions

- The Bangladesh Bank has ordered to tighten monitoring to be more cautious to stop the transaction and other activities regarding cryptocurrencies including bitcoin. The Banking Regulation and Policy Department of the central bank has issued a circular in this regard on Wednesday.
- The circular says various foreign Virtual Asset Service Providers (VASP) are conducting transactions through virtual currency, cryptocurrency and foreign currencies via their websites and apps using the customer accounts of some scheduled banks operating in Bangladesh.

<https://www.tbsnews.net/economy/banking/bb-urges-banks-increase-monitoring-prevent-crypto-transactions-512650>

Saudi company keen to invest at Patenga container terminal

- Oil-rich Saudi Arabia's Red Sea Gateway Terminal Company has shown interest to invest in Bangladesh for the operation, maintenance and modernisation of the country's Patenga container terminal in Chattogram.
- Vice-Chairman of the Red Sea Gateway Terminal Board of Directors, Aamer A Alireza, made the proposal during a meeting with State Minister of Shipping Khalid Mahmud Chowdhury in Jeddah on Tuesday. Red Sea Gateway Terminal (RSGT) is the newest flagship container terminal at Jeddah Islamic Port, a world-class terminal spearheaded by the Saudi Industrial Services group SISCO, as well as the first privately funded BOT (Build, Operate and Transfer) development project in Saudi Arabia with investment of USD1.7 Bn up to 2050.

<https://www.tbsnews.net/economy/saudi-company-keen-invest-patenga-container-terminal-512474>

India's tariff body for anti-dumping duty on Bangladeshi jute goods for another 5yrs

- India's Directorate General of Trade Remedies (DGTR) has recommended its finance ministry to again impose anti-dumping duty on jute exports of Bangladesh for another five years.
- India's apex national authority responsible for administering all the trade remedial measures published a gazette notification in this regard on its website on 10 October, prompting Bangladesh's commerce ministry to initiate discussions with exporters to determine the course of action.

<https://www.tbsnews.net/economy/indias-tariff-body-anti-dumping-duty-bangladeshi-jute-another-5yrs-512710>

Cross-check commodity prices for import

- Bangladesh Bank yesterday asked banks to verify prices quoted by importers for commodities by cross-checking with what was prevailing in international markets. Taking note of the ongoing global commodity market trends, banks are advised to adhere to regulatory parameters for verification of import prices and price competitiveness, according to a central bank notice.
- A BB official said there have been price fluctuations of commodities in global market in recent times, which was why the central bank asked banks to verify the prices cross-checking with several international markets. If the verification is done properly, importers might be able to buy their products from global markets at a lower price, he said.

<https://www.thedailystar.net/business/economy/news/cross-check-commodity-prices-import-3139571>

Internet banking transactions double in July

- Internet banking transactions nearly doubled to BDT 235.48 Bn in July compared to a year earlier, central bank figures showed as more people in Bangladesh are using computers and mobile apps to access various financial services.
- It stood at BDT 127.68 Bn in the same month in 2021. July's internet banking transactions amount, however, were slightly lower than BDT 237.70 Bn in June, according to the Bangladesh Bank.

<https://www.thedailystar.net/business/economy/news/internet-banking-transactions-double-july-3139596>

Bangladesh gets up to 83% lower price than rivals

- International buyers are consistently paying lower than the global average price to apparel suppliers in Bangladesh but higher to some of the country's competitors, according to the International Trade Centre (ITC).
- In fact, local garment manufacturers receive rates that are 32% to 83% lower than the highest prices paid to the suppliers in other countries.

<https://www.thedailystar.net/business/economy/news/bangladesh-gets-83pc-lower-price-rivals-3141536>

BB relaxes rules on borrowing to exporters

- Bangladesh Bank yesterday said businesses that export goods guaranteed by reputed export credit agencies (ECAs) will be able to enjoy loans as per their need, even if it goes beyond the single borrower exposure limit.
- As per the single borrower exposure limit, banks are not allowed to give out loans that are more than 25% of their capital to a single person, entity or business group.

<https://www.thedailystar.net/business/economy/news/bb-relaxes-rules-borrowing-exporters-3140446>

IMF cuts Bangladesh's GDP growth projection to 6% for FY23

- International Monetary Fund (IMF) has lowered the projection for Bangladesh's GDP growth from 7.2% in FY22 to 6% in FY23. It also predicted a 9.1% inflation rate in the current FY23 in World Economic Outlook October 2023 report published Tuesday (11 October). According to the report, the financial agency predicts that GDP growth of Bangladesh may increase to 6.9% in 2027.

<https://www.tbsnews.net/economy/imf-cuts-bangladeshs-gdp-growth-projection-6-fy23-511950>

ADP implementation rate rises to 9.43% in first quarter

- The implementation rate of the annual development plan (ADP) has increased in the first quarter (July-September) of the current fiscal year (2022-2023) against the corresponding period of the last FY owing to some effective measures and guidelines of the planning ministry in this regard.
- Some of the ministries have spent 9.43% of the total allocation in this quarter which was 8.26% in the last fiscal year, a recent report of the Implementation Monitoring and Evaluation Division (IMED) showed on Tuesday.

<https://www.tbsnews.net/economy/adp-implementation-rate-rises-943-first-quarter-512066>

ECNEC approves six projects worth BDT 70.19 Bn

- The Executive Committee of the National Economic Council (ECNEC) on Tuesday approved six projects involving an estimated cost of BDT 70.19 Bn. After the ECNEC meeting on Tuesday, Planning Minister MA Mannan told a news briefing that out of the six projects five are fresh ones.

<https://thefinancialexpress.com.bd/economy/ecnec-approves-six-projects-worth-tk-7019-billion-1665488006>

Remittance from USA tops Q1 outlook

- Money transferred by Bangladeshi expatriates from the US to home was the highest USD1 Bn in the first quarter of the current fiscal year, show the Bangladesh Bank data. For the last two years, the US had been in the second position in Bangladesh remittance outlook.

<https://www.tbsnews.net/economy/remittance-usa-tops-q1-outlook-512082>

Worsening electricity supply fresh blow to industries

- Industries, already under huge pressure for the fall in gas supply and higher input costs, have been hit with power outages in the last few days, which have raised the production cost and may force factories to cut output.
- Due to a gas and fuel shortage, many power plants in Bangladesh are not operating to their usual capacity. This is hurting the manufacturing industry.

<https://www.thedailystar.net/business/economy/news/worsening-electricity-supply-fresh-blow-industries-3140456>

USD770 Mn instant foreign currency transactions in first month

- Instant foreign currency transactions using the real-time gross settlement system inside the country stood at USD770 Mn in the first month, September, as six foreign currencies, apart from local taka, were added to the automated transaction system.
- Although the Bangladesh Bank on 4 September allowed instant transactions in the US dollar, UK pound, euro, Canadian dollar, Japanese yen, and Chinese yuan, a total of 20,553 transactions were made in two currencies – US dollar and euro – during the month, the central bank data said.

<https://www.tbsnews.net/economy/banking/770m-instant-foreign-currency-transactions-first-month-512078>

Bangladesh has huge export potential in Kosovo: DCCI

- Bangladeshi investors should invest more in Kosovo to expand the south Asian country's export market in the landlocked nation, Rizwan Rahman, president of Dhaka Chamber of Commerce and Industry (DCCI), said today. Increased communication between the private sectors of the two countries is needed now to boost bilateral trade with Kosovo, he said.
- Bangladesh established its diplomatic relation with Kosovo in 2018 and the bilateral trade figure stood at only USD0.31 Mn in 2020, which rose to USD1.41 Mn in 2021, Rahman said.

<https://www.thedailystar.net/business/news/bangladesh-has-huge-export-potential-kosovo-dcci-3139221>

Dollar rate gap between LCs, export earnings should be maximum BDT1: BKMEA

- The Bangladesh Knitwear Manufacturers and Exporters Association (BKMEA) has written to the finance ministry and the Bangladesh Bank to reduce the gap between the dollar rates for importing raw materials and encashing export proceeds to BDT1. In the letter sent 8 October, the organisation also proposed making the dollar rate for encashing export earnings equal to the dollar rate of remittances – BDT108.
- In the letter, the BKMEA said exporters currently get BDT99 per dollar for encashing export earnings. While the dollar rate for payment of import debt is fixed at BDT104.5, banks are buying dollars at BDT105- 106 in case of back-to-back LC or any other import liability payment.

<https://www.tbsnews.net/economy/banking/dollar-rate-gap-between-lcs-export-earnings-should-be-maximum-tk1-bkmea-512086>

Labour migration may exceed pre-Covid levels

- The growing number of people from Bangladesh registering for work overseas indicates that international migration from the country may soon surpass pre-pandemic levels, according to a recent report by the World Bank.
- Around 0.6 Mn locals registered for overseas employment in the first six months of this year while there was a total of 0.617 Mn migrants in 2021. In the five-year leading up to Covid-19, the number of people from Bangladesh going abroad for work stood at an annual average of about 0.75 Mn.

<https://www.thedailystar.net/business/economy/news/labour-migration-may-exceed-pre-covid-levels-3138511>

Bangladesh-Japan trade to cross USD20 Bn by 2030

- Bilateral trade between Bangladesh and Japan will reach USD20 Bn by 2030 from more than USD3 Bn at present as apparel shipments to the far eastern country are rising fast, according to Ito Naoki, Japan's ambassador to Bangladesh.
- Garment exports from Bangladesh to Japan totalled USD1.10 Bn in the last fiscal year and it is expected that shipments will rise 10-fold to reach USD10 Bn by 2030, Naoki said.

<https://www.thedailystar.net/business/economy/news/bangladesh-japan-trade-cross-20b-2030-3139516>

Bangladesh set to adopt USD230 Bn plan to mitigate impacts of climate change

- The Ministry of Environment, Forest and Climate Change is set to adopt a plan to spend USD230 Bn over the next 27 years in an effort to save Bangladesh from the impacts of climate change, bdnews24.com reports.
- The National Adaptation Plan that requires investments between 2023 and 2050 awaits approval from the Cabinet. "And the plan may be approved soon," said Md Mizanul Hoque Chowdhury, additional secretary of the environment ministry.

<https://thefinancialexpress.com.bd/economy/bangladesh-set-to-adopt-230bn-plan-to-mitigate-impacts-of-climate-change-1665306548>

Banks must prepare citizen charter to highlight services

- Bangladesh Bank today asked banks to draw up citizen charter such that clients will be able to get financial services smoothly. The citizen's charter is a document of commitments made by either government or private organisation to the citizens or client groups in respect of the services being provided to them or to be provided to them.

<https://www.thedailystar.net/business/news/banks-must-prepare-citizen-charter-highlight-services-3139181>

Women's employment in banks rises slightly

- The rate of employment of women in Bangladesh's banking sector has slightly increased to 16.3% in June this year from 15.2% four years earlier. However, such a meagre development is not expected given the country's impressive economic growth in recent years, opined two female economists.

<https://www.thedailystar.net/business/economy/news/womens-employment-banks-rises-slightly-3139621>

Govt securities to trade in bourses from Monday

- Trading of government securities is going to start on the stock exchanges from Monday in a bid to make general investors accustomed to dealing with these treasury bonds and bills.
- In a circular Bangladesh Bank said government treasury bonds and treasury bills were now already traded at Over The Counter (OTC) and Anonymous Order Matching trading platforms. Until August this year, 222 government treasury bonds were listed at Dhaka Stock Exchange valuing USD6.2 Bn.

<https://www.thedailystar.net/business/economy/news/govt-securities-trade-bourses-monday-3137061>

Loan write-off declines

- Loans written off by banks in Bangladesh declined in the first half of 2022 despite the upward trend of default loans. As per the rules, banks have to keep 100% provisioning against delinquent assets and the coverage has to come from operating profits.
- The outstanding amount of write-off loans stood at BDT433.60 Bn in June this year in contrast to BDT440.83 Bn six months ago, data from the Bangladesh Bank showed. It amounted to BDT435.43 Bn in June last year.

<https://www.thedailystar.net/business/economy/news/loan-write-off-declines-3137086>

Naogaon hand-made prayer caps usher BDT10 Bn export potential

- Handmade prayer caps, locally known as "Tupi", from different upazilas of Naogaon has made their mark beyond the border to the middle eastern countries, especially Oman, and business owners say they are eyeing a staggering BDT10 Bn in export income in the upcoming season.

<https://www.tbsnews.net/economy/naogaon-hand-made-prayer-caps-usher-tk1000cr-export-potential-510582>

Knitwear continues dominance in export

- The knitwear segment has retained its position as the country's biggest export earner in the readymade garment industry and among all the sectors of Bangladesh. In 2020-21, knitwear outran woven and recaptured the glory. And it continued in the last fiscal year as well as it brought home USD23.21 Bn, versus the woven's USD19.40 Bn.

<https://www.thedailystar.net/business/economy/news/knitwear-continues-dominance-export-3138516>

Bangladesh's economy in solid position despite global downturn:

Economists

- Bangladesh's economy is "not at risk, rather it is in a consolidated state" despite the ongoing global economic downturn, economists and policymakers said at a roundtable on Saturday.
- "My estimate is a bit optimistic. If the ongoing process of imports is effective, and if it can be kept at USD80 Bn, which was USD82 Bn in the last fiscal year, exports at USD55 Bn, and remittances at USD24-25 Bn, then we can move from current account deficit to surplus," said Zaidi Sattar, chairman of the Policy Research Institute (PRI).

<https://www.tbsnews.net/economy/bangladeshs-economy-solid-position-despite-global-downturn-economists-510510>

World Bank cuts Bangladesh GDP growth forecast to 6.1% for FY22-23

- The World Bank has revised down the GDP growth forecast for Bangladesh to 6.1% for the current fiscal year 2022-2023 from 6.7% growth projection made in April and June this year.
- South Asia Economic Focus of the World Bank, titled "Coping with Shocks: Migration and the Road to Resilience" revealed on Thursday found higher inflation and rolling electricity blackouts as major challenges for the economy and cut the growth outlook by 0.6% points.

<https://www.tbsnews.net/economy/world-bank-cuts-bangladesh-gdp-growth-forecast-61-fy22-23-509466>

With jute mills closed, mounting loans weigh on BJMC

- As the 25 state-owned jute mills have remained closed since mid-2020, the Bangladesh Jute Mills Corporation (BJMC) has apparently had no income over the last one and a half years. The closure leaves around BDT100 Bn loans of these mills at public banks mounting. The jute mills corporation is now in a tight spot with the increasing interest of the loans, let alone repayment of the principal.

<https://www.tbsnews.net/economy/industry/jute-mills-closed-mounting-loans-weigh-bjmc-509270>

Heavy taxes an impediment for furniture export growths

- Furniture producers, who meet 95% of the domestic demand, are now eyeing a slice of the USD700 Bn global market and hoping for policy support from the government.
- If the government supports the import of raw materials needed by the industry, then the export income from the sector will grow, while the labour-intensive production methods will also ensure an increase in employment opportunities.

<https://www.tbsnews.net/economy/industry/heavy-taxes-impediment-furniture-export-growth-509522>

Faucet market grows as urbanisation leads to increased demand

- The market of faucet and showerhead is growing steadily as rapid urbanisation, expansion of the housing sector and improved economic conditions have led to increasing demand for the sanitary essentials.
- Industry insiders say the water tap market has crossed the BDT15 Bn mark with a yearly growth of 15%. However, the majority of this market is dominated by foreign brands as currently there are no major local brands manufacturing these items except for the RFL Group. As a result, substandard products are taking a piece of the pie.

<https://www.tbsnews.net/economy/faucet-market-grows-urbanisation-leads-increased-demand-510118>

Hilsa export to India: Bangladesh earned USD13.6 Mn this year so far

- Bangladesh government has earned USD13.6 Mn from exporting 1,352 tonnes of hilsa fish to India this year so far, Fisheries and Livestock Minister SM Rezaul Karim said today. Hilsa production has doubled in last 12 years and the rate of production is now 90%, he said.

<https://www.tbsnews.net/economy/bazaar/hilsa-export-india-bangladesh-earned-136cr-year-so-far-509298>

Important News: Capital Market

BRACBANK | Brac Bank, TTC Kurigram sign deal

- Brac Bank recently signed an agreement with Technical Training Centre (TTC) Kurigram to provide banking services to the institution. Under the deal, students of TTC Kurigram can now pay admission and other fees through Brac Bank's Agent Banking channel, a press release said.

<https://www.thedailystar.net/business/economy/banks/news/brac-bank-ttc-kurigram-sign-deal-3141396>

MTB | BSEC approves MTB's BDT 5 Bn bond

- Mutual Trust Bank (MTB) has got the nod to issue a fully redeemable, non-convertible, unsecured floating rate subordinated bond worth BDT 5 Bn.
- The bond will be issued among financial institutions, insurance companies, corporates, and eligible investors through private placement. With the bond proceeds, the lender will strengthen its tier-II capital base, increase its loan portfolio to corporates, and invest in treasury securities. Each unit of the bond is priced at BDT 10 Mn.

<https://www.thedailystar.net/business/economy/news/bsec-approves-mtbs-tk-500cr-bond-3141466>

MERCANBANK | Mercantile Bank, Pran-RFL Group sign deal

- Mercantile Bank signed an agreement with Pran-RFL Group over cash management services on Tuesday.
- Under the agreement, the bank will collect sales proceeds or funds from different sales centre or outlet of RFL Electronics and collection point of Pran-RFL Group through online, mobile financial services "MyCash" and Agent Banking outlets.

<https://www.thedailystar.net/business/economy/banks/news/mercantile-bank-pran-rfl-group-sign-deal-3141476>

BSCCL | BSCCL's profit jumps 31 % in 2021-22

- Bangladesh Submarine Cable Company Limited (BSCCL) posted more than 31 % higher profit in the year that ended on June 30.
- This means the country's lone submarine cable operator made a profit of BDT 2.2938 Bn in the last financial year. It was BDT 1.7496 Bn a year earlier.

<https://www.thedailystar.net/business/economy/news/bsccls-profit-jumps-31pc-2021-22-3140421>

LANKABAFIN | LankaBangla Securities Limited trade treasury bonds in DSE, CSE

- Trading of treasury bonds has started in Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE) from Tuesday (11 October). Lankabangla completed this transaction on DSE and CSE, between LankaBangla Finance and its subsidiary LankaBangla Securities, according to DSE and CSE sources.
- According to the sources, the buyer of the bonds in question is Lankabangla Securities Limited and its seller is Lankabangla Finance Limited.

<https://www.tbsnews.net/economy/stocks/lankabangla-securities-limited-trade-treasury-bonds-dse-cse-512294>

EXCHANGE | Treasury bonds push DSE market cap by 48%, yet no trade on trial session

- Treasury bonds that went live on trial trading in the bourses on Monday pushed up the total market capitalisation of the Dhaka Stock Exchange (DSE) by more than 48% to BDT7.725 Tn, from BDT5.220 Tn last week.
- Due to failure in timely data transfer from the central bank ecosystem to the capital market platform, no successful trade of the government debt securities took place in the Dhaka Stock Exchange (DSE) and the Chattogram Stock Exchange (CSE), despite sufficient buy orders on the electronic trading screens.

<https://www.tbsnews.net/economy/stocks/treasury-bonds-push-dse-market-cap-48-yet-no-trade-trial-session-511410>

WALTONHIL | Walton brings new models of refrigerators

- Golam Murshed, managing director of Walton Hi-Tech Industries PLC, unveiled the new products at Walton corporate office in the capital, Walton said in a press release. Considering the growing needs and demands of modern and health-conscious people, the company released these high-end products designed with unique features and technologies, including Syntho-Fresh and UV-C technology, intelligent germ terminator (IGT), smart control feature, ceramic coated premium glass and elegant door handle.
- The 244 to 268-litre refrigerators will be available in the domestic market from October with a price range of between BDT40,590 and BDT46,990.

<https://www.thedailystar.net/business/economy/news/walton-brings-new-models-refrigerators-3139551>

EXCHANGE | BSEC to launch Orange Bonds in aid of women entrepreneurs

- To provide easy loans to small ventures, the Bangladesh Securities and Exchange Commission has taken an initiative to launch "Orange Bonds" – a type of financial instrument that aims to finance gender equality.
- Terming the initiative a "groundbreaking step" for women entrepreneurs, Chairman of the stock market regulator Prof Shibli Rubayat-UI-Islam said they are now working on the bond guidelines.

<https://www.tbsnews.net/economy/stocks/bsec-launch-orange-bonds-aid-women-entrepreneurs-512174>

EXCHANGE | Trading of govt bonds takes place

- The trading of treasury bonds and bills took place on the stock exchanges of Bangladesh yesterday, a day after their debut. There are about 270 treasury bonds worth more than BDT 2.5 Tn with their tenures ranging from two years to 20 years, data from the Bangladesh Bank showed.
- 222 treasury bonds were listed on the Dhaka Stock Exchange (DSE) as of August, with a combined value of BDT 593.59 Bn. But they were not traded like shares and mutual fund units and they could be bought and sold only over the counter.

<https://www.thedailystar.net/business/economy/news/trading-govt-bonds-takes-place-3140441>

CITYBANK | City Bank launches Islamic savings

- City Bank launched its first-ever Shariah-based savings scheme "City Islamic DPS Savings" in Dhaka yesterday. Now people can open City's Islamic savings scheme of different tenures and amounts from anywhere in the country through bKash app.
- For this, they need to pay a monthly instalment of minimum BDT500 and maximum BDT3,000. The tenure of the schemes will be minimum two years and maximum four years.

<https://www.thedailystar.net/business/economy/news/city-bank-launches-islamic-savings-3139556>

NCCBANK | NCC Bank provides loan to startup

- NCC Bank recently provided a loan worth BDT 1.5 Mn to Neilex which is working on "Child Mode Apps". The fund was provided from the lender's startup fund "Nobin" which offers easy terms and conditions and a low interest rate.

<https://www.thedailystar.net/business/economy/news/ncc-bank-provides-loan-startup-3140386>

SPCL | Petromax Refinery moves to market-linked pricing model for its gasoline

- Petromax Refinery Ltd – a subsidiary of Shahjibazar Power Company Ltd (SPCL) which supplies to the Bangladesh Petroleum Corporation (BPC) – has changed its gasoline pricing model from a profit margin model to a market-linked one.
- Its Company Secretary, Yeasin Ahmed, told The Business Standard, "From a fixed profit margin model, we have entered into a market-linked pricing formula. Our pricing model is now similar to what the liquefied petroleum gas (LPG) industry is following."

<https://www.tbsnews.net/economy/petromax-refinery-moves-market-linked-pricing-model-its-gasoline-512690>

BEXIMCO | Beximco raises EUR32.5m from Dutch bank

- Beximco Ltd has raised EUR32.5 Mn from Dutch financial institution ING Bank in order to expand its knit fabric facility, said a press release yesterday.
- The company will buy advanced German and other textile equipment through an exporter in Germany based on financing from ING Bank, with an insurance-backed cover from Germany's Export Credit Agency (ECA).

<https://www.thedailystar.net/business/economy/news/beximco-raises-eu325m-dutch-bank-3136921>

SEAPEARL | Sea Pearl posts stellar profit growth in FY22

- Sea Pearl Beach Resort & Spa Ltd, a well-known five-star hotel in Cox's Bazar, registered a staggering 120% growth in its net profit for fiscal year 2021-22, compared to the previous fiscal.
- The company says it earned good revenues because of increased utilisation of rooms in peak seasons, its water park being fully operational, and more business from cruise ships and other activities.

<https://www.tbsnews.net/economy/stocks/sea-pearl-posts-stellar-profit-growth-fy22-512050>

PUBALIBANK | Pubali Bank on a tear

- At the time of its denationalisation in 1984, Pubali Bank's defaulted loans were more than 50% owing to a lack of corporate governance. Pubali Bank is one of the sound financial organisations in Bangladesh and non-performing loans (NPLs) have fallen to as low as 3%, way lower than the industry average of more than 8%.

<https://www.thedailystar.net/business/economy/news/pubali-bank-tear-3138496>

SINOBANGLA | Sino-Bangla JV to invest USD15.63 Mn in Ishwardi EPZ

- Jinqiu Global Textile Bangladesh Ltd, a China-Bangladesh joint venture company, is going to invest USD15.63 Mn to set up garments accessories manufacturing industry in Ishwardi Export Processing Zone (IEPZ).
- The company will manufacture 250 Mn metres and 2 Mn cones of different types of garments accessories annually and generate employment opportunities for 981 Bangladeshi nationals.

<https://www.thedailystar.net/business/economy/news/sino-bangla-jv-invest-1563m-ishwardi-epz-3137001>

SINGERBD | Singer investing USD78 Mn in new plant

- Singer Bangladesh is investing about USD78 Mn to set up a new home appliance manufacturing plant inside the special economic zone in Narayanganj to expand local production of its products, according to company officials.
- The home appliance manufacturer and retailer, in association with Arcelik, the flagship company of Koç Group, yesterday inaugurated the construction of their very first state-of-the-art manufacturing unit in the country.

<https://www.thedailystar.net/business/economy/news/singer-investing-78m-new-plant-3139611>

Dhaka Bank | Dhaka Bank allowed to issue BDT2 Bn bond

- Dhaka Bank Ltd has received approval from the securities regulator to issue a perpetual bond worth BDT2 Bn in a bid to strengthen the additional Tier-1 capital base of the private sector lender.
- The bank will raise BDT1.5 Bn through private placements and the remaining BDT500 Mn through a public offering. This would be a coupon-bearing, contingent convertible perpetual bond.

<https://www.tbsnews.net/economy/stocks/dhaka-bank-allowed-issue-tk200cr-bond-509622>

BARAKAPOWERS | BSEC rejects Baraka Power's BDT1.5 Bn bond issuance move

- The Bangladesh Securities and Exchange Commission (BSEC) has rejected Baraka Power Limited's application aimed at issuing a BDT1.5 Bn fully redeemable non-convertible zero-coupon bond.
- The power producer disclosed it in a filing on the Dhaka Stock Exchange (DSE) yesterday. The post, however, did not explain why the application was rejected.

<https://www.thedailystar.net/business/economy/news/bsec-rejects-baraka-powers-tk-150cr-bond-issuance-move-3136991>

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