

Weekly Market Update

Capital Market Overview

The market closed in green this week. The benchmark index DSEX (+5.55%) gained 331.74 points and closed the week at 6,312.25 points. The blue-chip index DS30 (+5.59%) gained 119.95 points and stood at 2,265.20 points. The Shariah-based index DSES (+5.12%) gained 66.99 points and stood at 1,375.19 points. The large cap index CDSET (+5.10%) gained 60.68 points and closed at 1,250.31 points. DSEX, DS30, DSES, and CDSET showed YTD returns of -6.58%, -10.56%, -3.91%, and -8.01% respectively.

Total Turnover During the Week (DSE): BDT 50.6 billion (USD 534 million)

Average Daily Turnover Value (ADTV): BDT 10.1 billion ($\Delta\%$ Week: +59.6%)

Market P/E: 15.7x

Daily Index Movement during the Week

Market performed five sessions during this week. Market started on a positive note (+2.57%) on Sunday. It remained positive (+0.49%) on Monday, (+1.38%) on Tuesday, and (+0.81%) on Wednesday. Finally, market ended on a positive note (+0.19%) on Thursday.

Sectoral Performance

- All the financial sectors posted positive performance this week. NBF I booked the highest gain of 6.58% followed by General Insurance (+5.96%), Life Insurance (+5.35%), Bank (+4.27%), and Mutual Fund (+2.62%).

- All the non-financial sectors posted positive performance this week. Engineering booked the highest gain of 4.83% followed by Pharmaceutical (+4.56%), Telecommunication (+4.23%), Fuel & Power (+3.55%), and Food & Allied (+3.41%).

Macroeconomic arena

- Inflation sees slight fall in July. IMF ready to extend fund support to BD. RMG value addition hits record low in FY22: BB. BB eases rules on encashment of export proceeds. Loan rescheduling tightened slightly. Bangladesh to resume talks for Ukrainian wheat import. Chinese company to establish USD 8.07 Mn shoe accessories factory in Bepza EZ. July delivers more good news as exports rise. Uncertainty over trade with Russia starts to go. Power prices raise likely again by Oct. BB suspends licences of 5 money changers. Merchant banks, portfolio managers asked to invest 10% of investable funds.

- Inflation not cooling down before next year end: Finance. BB increases interest rate of NFCD. Remittance flow up by 11.76pc in July. Rise in remittance, dip in imports: Some breathing space for now. Trade deficit hits record USD 33.25 Bn in FY22. Mn of dollars missed on stalled refinery project. July remittance hits two-year high. Import falls following forex austerity. China becomes Bangladesh's top trading partner again. BDT 2.36 Bn project to roll out 5G by next year. Net NSC sales halve in FY22. Weaker taka hits listed multinationals' profits. Apparel exports see nearly 14% growth in July. Import of apparel raw materials surges. Legal framework on access to NDB loans drafted.

Stock Market arena

- Berger Paints' profit jumps. Berger navigates well amidst inflationary pressure. Pubali Bank's profit grows 31% in H1. Reckitt Benckiser suffers from surging raw material price. Phoenix Ins profit declines in Apr-Jun. Dhaka Ins posts lower profit in Q2. Rupali Bank to raise paid-up capital by issuing shares to govt. BRAC Bank to disburse BDT 800 Mn to entrepreneurs at SME Clusters without any collateral. Bata Shoe profit surges 17-fold. Paramount Textile to raise BDT 1.50 Bn. Jamuna Bank to issue BDT 5.0 Bn bond. BAT Bangladesh posts revenue and profit growth in H1. BSEC increases SME board investment limit to BDT3 Mn. Robi suffers losses in Q2. Delta Brac Housing's profit jumps 28%.

August 04, 2022 (Week: July 31, 2022 – August 04, 2022)

Dhaka Stock Exchange

DSEX ended Red (+5.55%) in the week

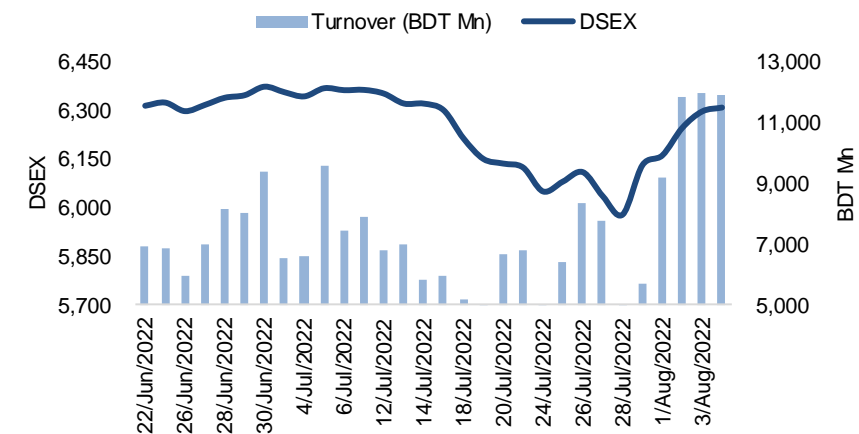
Table 1: Index

Index	Closing*	Opening*	Δ (Pts)	30-Dec-2021	$\Delta\%$ Week	$\Delta\%$ YTD
DSEX	6,312.25	5,980.51	+331.74	6,756.66	+5.55%	-6.58%
DS30	2,265.20	2,145.25	+119.95	2,532.58	+5.59%	-10.56%
DSES	1,375.19	1,308.20	+66.99	1,431.12	+5.12%	-3.91%
CDSET	1,250.31	1,189.63	+60.68	1,359.13	+5.10%	-8.01%

Table 2: Market Statistics

		This Week	Last Week	% Change
Mcap	Mn BDT	5,134,774	4,921,131	
	Mn USD	54,221	51,965	+4.3%
Turnover	Mn BDT	50,586	31,692	+59.6%
	Mn USD	534	335	
Average Daily Turnover	Mn BDT	10,117	6,338	+59.6%
	Mn USD	107	67	
Volume	Mn Shares	1,347	895	+50.5%

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
BIFC	12.7	9.4	+35.4%	1,279	30.5	NM	NM
MALEKSPIN	35.6	26.8	+32.8%	6,892	1,479.1	8.2x	0.7x
SONARGAON	61.4	48.2	+27.4%	1,625	254.2	NM	5.4x
ORIONINFU	132.3	104.7	+26.4%	2,694	863.4	78.5x	9.8x
MHSML	32.9	26.1	+26.1%	3,323	247.5	15.5x	2.0x
SIMTEX	21.0	16.9	+24.3%	1,672	224.1	24.7x	0.9x
UNIONCAP	8.8	7.1	+23.9%	1,519	46.9	NM	NM
GHCL	42.3	34.3	+23.3%	3,046	85.2	NM	0.8x
OLYMPIC	136.1	110.5	+23.2%	27,212	792.3	18.5x	3.0x
FASFIN	6.4	5.2	+23.1%	954	61.5	NM	NM

Table 4: Top Ten Losers

Company Name	Close*	Open*	Δ%	Mcap**	Turnover**	PE	PB
UNITEDINS	47.0	51.3	-8.4%	2,092	8.4	28.8x	1.4x
PF1STMF	10.7	11.3	-5.3%	642	46.3	NM	1.8x
VITOLINS	43.1	44.3	-2.7%	1,733	22.4	16.4x	1.5x
VAMLRBBF	7.4	7.6	-2.6%	1,175	1.2	NM	0.8x
SEMLLECMF	9.2	9.3	-1.1%	460	11.1	NM	1.0x
DULAMIACOT	72.1	72.7	-0.8%	545	6.3	NM	NM
FORTUNE	79.5	80.1	-0.7%	12,922	1,957.5	25.6x	5.3x
NBL	8.3	8.3	-0.0%	26,724	172.4	NM	0.5x
PLFSL	3.0	3.0	-	856	0.0	NM	NM
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Table 5: Top Ten Most Traded Shares

Company Name	Close*	Open*	Δ%	Mcap**	Turnover**	PE	PB
BEXIMCO	127.9	114.2	+12.0%	112,081	3,636.0	7.8x	1.5x
FORTUNE	79.5	80.1	-0.7%	12,922	1,957.5	25.6x	5.3x
SONALIPAPR	651.5	598.7	+8.8%	14,309	1,518.0	46.0x	2.6x
MALEKSPIN	35.6	26.8	+32.8%	6,892	1,479.1	8.2x	0.7x
DELTALIFE	148.4	135.9	+9.2%	18,365	1,328.4	NM	NM
INTRACO	34.7	29.3	+18.4%	3,409	1,162.5	33.2x	2.9x
IPDC	57.7	56.5	+2.1%	21,412	925.2	23.5x	3.4x
ORIONINFU	132.3	104.7	+26.4%	2,694	863.4	78.5x	9.8x
MATINSPINN	82.2	78.7	+4.4%	8,014	840.1	8.0x	1.4x
KDSALTD	83.9	77.1	+8.8%	5,972	795.5	36.4x	3.3x

Table 6: Most Appreciated YTD in BRAC EPL Universe

Company Name	Close*	YTD %Δ	Mcap**	PE	PB
IPDC	57.7	+49.5%	21,412	23.5x	3.4x
SQUARETEXT	71.8	+37.5%	14,163	8.2x	1.6x
CROWNCEMNT	74.4	+19.6%	11,048	37.8x	1.4x
SHASHADNIM	28.6	+16.7%	4,034	15.6x	0.7x
ADNTEL	60.7	+15.8%	3,924	23.5x	2.3x
ESQUIRENIT	40.0	+14.3%	5,396	16.3x	0.6x
UNIQUEHRL	57.2	+13.9%	16,840	19.5x	0.6x
TITASGAS	41.3	+13.8%	40,855	12.2x	0.6x
GHAIL	17.9	+8.5%	3,863	85.2x	1.3x
MARICO	2,479.6	+7.8%	78,107	22.3x	34.0x

Table 7: Sector Indices

Sector Name	Week Close*	Week Open*	Year Open*	Δ% Week	Δ% YTD
Bank	1,453.6	1,394.0	1,589.69	+4.27%	-8.56%
NBFI	1,987.5	1,864.9	2,327.63	+6.58%	-14.61%
Mutual Fund	881.5	859.0	882.99	+2.62%	-0.17%
General Insurance	3,206.6	3,026.2	4,698.62	+5.96%	-31.76%
Life Insurance	2,337.1	2,218.5	2,687.55	+5.35%	-13.04%
Telecommunication	5,080.4	4,874.2	5,800.37	+4.23%	-12.41%
Pharmaceutical	3,795.3	3,630.0	3,866.63	+4.56%	-1.84%
Fuel & Power	1,735.7	1,676.2	1,792.97	+3.55%	-3.19%
Cement	2,455.6	2,267.0	2,534.76	+8.32%	-3.12%
Services & Real Estate	1,382.0	1,281.2	1,309.43	+7.86%	+5.54%
Engineering	4,640.1	4,426.1	4,727.46	+4.83%	-1.85%
Food & Allied	21,518.7	20,809.8	25,222.81	+3.41%	-14.69%
IT	2,522.0	2,402.2	3,274.61	+4.99%	-22.98%
Textile	1,705.7	1,570.5	1,470.60	+8.61%	+15.99%
Paper & Printing	7,746.9	7,191.8	9,680.03	+7.72%	-19.97%
Tannery	3,086.3	2,997.0	3,236.76	+2.98%	-4.65%
Jute	8,574.9	8,249.6	8,747.84	+3.94%	-1.98%
Ceramics	736.7	696.5	675.88	+5.78%	+9.01%
Miscellaneous	4,408.3	4,044.5	4,625.39	+8.99%	-4.69%

Table 8: Sector Trading Matrix

Sector Name	Daily average this Week	Daily average last Week	% Change	% of Total Turnover	PE	PB
Bank	440.2	293.8	+49.85%	+4.54%	7.8x	0.8x
NBFI	439.3	289.7	+51.66%	+4.53%	NM	3.8x
Mutual Fund	101.3	70.0	+44.74%	+1.05%	NM	0.8x
General Insurance	385.2	169.2	+127.59%	+3.97%	15.3x	1.5x
Life Insurance	379.8	135.0	+181.40%	+3.92%	NM	NM
Telecommunication	137.4	105.1	+30.78%	+1.42%	15.9x	4.7x
Pharmaceutical	979.8	536.7	+82.56%	+10.11%	17.6x	2.5x
Fuel & Power	511.5	316.6	+61.56%	+5.28%	11.4x	1.2x
Cement	140.0	81.6	+71.68%	+1.44%	25.8x	2.6x
Services & Real Estate	220.8	85.6	+157.99%	+2.28%	72.7x	1.0x
Engineering	650.0	515.6	+26.08%	+6.70%	18.9x	1.9x
Food & Allied	520.0	230.3	+125.80%	+5.36%	22.9x	8.1x
IT	256.2	145.4	+76.20%	+2.64%	26.3x	2.3x
Textile	2,383.7	1,322.0	+80.31%	+24.59%	27.6x	1.1x
Paper & Printing	383.7	152.3	+151.89%	+3.96%	NM	2.0x
Tannery	432.3	146.5	+195.01%	+4.46%	34.4x	3.2x
Jute	4.7	4.8	-1.90%	+0.05%	NM	27.9x
Ceramics	242.5	134.2	+80.66%	+2.50%	30.8x	2.0x
Miscellaneous	1,086.7	565.4	+92.21%	+11.21%	11.9x	2.0x

Table 9: Least Appreciated YTD in BRAC EPL Universe

Company Name	Close*	YTD %Δ	Mcap**	PE	PB
HEIDELBCEM	183.5	-32.6%	10,368	NM	2.9x
PIONEERINS	73.9	-30.5%	6,258	11.1x	1.4x
LANKABAFIN	27.0	-27.6%	14,549	12.0x	1.4x
ACTIVEFINE	19.7	-23.0%	4,727	85.7x	0.9x
BRACBANK	40.0	-22.2%	59,863	11.7x	1.0x
CONFIDCEM	97.0	-20.4%	7,589	10.9x	1.2x
BATBC	523.1	-17.7%	282,474	18.2x	7.5x
IDLC	47.5	-17.3%	19,746	9.9x	1.2x
BXPBARMA	160.0	-17.0%	71,378	12.4x	1.8x
MIRAKHTER	51.7	-16.6%	6,244	19.4x	1.1x

Important News: Business & Economy

Inflation sees slight fall in July

- The rate of inflation fell marginally in July from the previous month, according to official statistics released on Wednesday.
- It stood at 7.5% in July, declining from a nine-year high of 7.6% in June last, according to the Bangladesh Bureau of Statistics (BBS), thanks to food prices that witnessed a slight fall.

<https://today.thefinancialexpress.com.bd/first-page/inflation-sees-slight-fall-in-july-1659553623>

RMG value addition hits record low in FY22: BB

- Value addition in readymade garment products dropped to a record low of 54.37% in the past financial year 2021-22 due mainly to an increase in prices of raw materials on the global market and world-wide supply chain disruptions.
- According to a Bangladesh Bank report titled 'Quarterly Review on RMG: April-June, FY22', the RMG value addition dropped to 54.37% in FY22 from 59% in FY21.

<https://www.newagebd.net/article/177557/rmg-value-addition-hits-record-low-in-fy22-bb>

Chinese company to establish USD8.07 Mn shoe accessories factory in Bepza EZ

- Chinese company M/s KPST Shoes (BD) Co Ltd is going to establish a shoes accessories manufacturing industry in Bepza Economic Zone (Bepza EZ). This fully foreign owned company will invest USD8.07 Mn where 2,650 Bangladeshi nationals will get employment opportunities.
- The company will produce annually 30 mMn pairs of insole, outsole & midsole and 0.3 mMn cubic metres EVA and PU foam. The dependency on import of the above-mentioned materials of export-oriented shoe industries of the country will be decreased by the operation of the factory.

<https://www.tbsnews.net/economy/chinese-company-establish-807m-shoe-accessories-factory-bepza-ez-470682>

BB eases rules on encashment of export proceeds

- The Bangladesh Bank yesterday eased rules on the encashment of the value-added portion of repatriated export proceeds in order to bring flexibility to trade transactions.

<https://www.thedailystar.net/business/economy/banks/news/bb-eases-rules-encashment-export-proceeds-3087306>

IMF ready to extend fund support to BD

- The International Monetary Fund (IMF) expresses readiness to support Bangladesh in coping with emerging economic disruptions caused by the ongoing war in Ukraine and also in dealing with climatic adversities.
- Such support will be available from IMF's new Resilience and Sustainability Trust (RST) in response to Bangladesh's interest in this regard, says an IMF statement available in Dhaka Wednesday.

<https://today.thefinancialexpress.com.bd/first-page/imf-ready-to-extend-fund-support-to-bd-1659553720>

Loan rescheduling tightened slightly

- Bangladesh Bank yesterday slightly tightened its loan rescheduling policy for defaulted loans after facing criticism from different corners.
- The loan rescheduling policy was substantially relaxed on July 18, allowing defaulters to repay their term loans over a period of six years to eight years. In contrast, it was previously nine months to two years.

<https://www.thedailystar.net/business/economy/news/loan-rescheduling-tightened-slightly-3087311>

Bangladesh to resume talks for Ukrainian wheat import

- The resumption of grain exports from Ukraine and Bangladesh paying Russia an outstanding import bill have now cleared the way for procurement of wheat and other goods from both the countries. But complexities centering import payments to Moscow persist with its banks still disconnected from SWIFT, the world's dominant financial messaging system.
- On the other hand, when it comes to importing Ukrainian grains, there is no such bar – it is possible to bring in grains from Ukraine through both government and private initiatives, according to food ministry officials and importers. The resumption of Ukraine grain shipments is a good opportunity for Bangladesh, Food Secretary Md Ismiel Hossain told The Business Standard.

<https://www.tbsnews.net/economy/bangladesh-resume-talks-ukrainian-wheat-import-470958>

Uncertainty over trade with Russia starts to go

- The cloud of uncertainty that overhung Bangladesh's imports of food grains from Russia and Ukraine has begun to be dispelled as a Russian cargo ship arrived at Mongla port on Monday for the first time since the Ukraine war started in February this year.

<https://www.tbsnews.net/economy/uncertainty-over-trade-russia-starts-go-470238>

July delivers more good news as exports rise

- Merchandise exports from Bangladesh grew 15% year-on-year to USD 3.98 Bn in July, giving a much-needed breather to the country amid global uncertainty and foreign exchange crisis, official figures showed yesterday.
- The higher overseas sales came after imports fell 31% to USD 5.5 Bn and remittances went up by 14% to USD 2.09 billion in the first month of the fiscal year.

<https://www.thedailystar.net/business/economy/news/july-delivers-more-good-news-exports-rise-3086506>

BB increases interest rate of NFGD

- Currently, Bangladesh Bank (BB) has increased and fixed the interest rate of non-resident foreign currency deposit (NFGD) accounts to encourage inward foreign-currency flow, reports BSS.
- For one year and up to three years of deposit, the account holders, with the regular interest rate, will get 2.25% interest and for three years and up to five years of deposit, they will enjoy 3.25% interest, as per a BB circular issued Monday.

<https://today.thefinancialexpress.com.bd/first-page/bb-increases-interest-rate-of-nfgd-1659378694>

Power price raise likely again by Oct

- Subscribers should brace for yet higher electric bills as the government considers raising power price again in October on grounds of subsidy cut-down and saving the country's foreign-exchange reserves from further depletion. Higher cost of primary fuel imports amid global price spirals is a major head of foreign-currency spending that weighs on Bangladesh's reserves, as also on other countries', as a fallout from the pandemic and war.

<https://today.thefinancialexpress.com.bd/first-page/power-price-raise-likely-again-by-oct-1659465143>

Remittance flow up by 11.76pc in July

- The country's inward remittance flow rose by around 11.76% to USD 2.09 Bn in July of the current fiscal year (FY), 2022-23, than that of the corresponding period of last fiscal, as per the Bangladesh Bank data -- released on Monday. Bangladeshis staying abroad sent home over USD 1.87 Bn in July of FY 2021-22, the central bank statistics showed.

<https://today.thefinancialexpress.com.bd/last-page/remittance-flow-up-by-1176pc-in-july-1659379053>

July remittance hits two-year high

- Bangladesh received USD 2.2 Bn from the migrants overseas in July, which is the highest in the last two years, according to the central bank. July remittance inflow registered a 17.56% growth compared to the corresponding month last year, according to the Bangladesh bank.

<https://www.tbsnews.net/economy/july-remittance-hits-two-year-high-468886>

BB suspends licences of 5 money changers

- Bangladesh Bank has suspended the licences of five foreign exchange houses and served show-cause notices to an additional 42 for their alleged involvement in the manipulation of US dollar prices in the kerb market.

- Ten inspection teams started visiting money changers around Dhaka city on July 27 to investigate whether they were intentionally hoarding US dollars to hike their rate against the taka.

<https://www.thedailystar.net/business/global-economy/news/bb-suspends-licences-5-money-changers-3086496>

Merchant banks, portfolio managers asked to invest 10% of investable funds

- Merchant bankers have assured of taking necessary steps to inspire portfolio managers and their clients to help stabilise the market injecting their investable funds. The assurance came from Bangladesh Merchant Bankers Association (BMBA) on Tuesday at a meeting held with top officials of Bangladesh Securities and Exchange Commission (BSEC).

<https://today.thefinancialexpress.com.bd/stock-corporate/merchant-banks-portfolio-managers-asked-to-invest-10pc-of-investable-funds-1659460612>

Inflation not cooling down before next year end: Finance

- Bangladesh may have to wait one and a half years more for the rising inflation to melt away as global prices for energy, grains and metals have soared substantially since the Russia-Ukraine war and taka continued to lose value against the dollar, according to a finance ministry report.

<https://www.tbsnews.net/economy/inflation-not-cooling-down-next-year-end-finance-470242>

Net NSC sales halve in FY22

- The net sales of national savings certificates plunged by BDT 220.43 Bn to stand at BDT 199.16 Bn in FY22 amid the government's discouraging measures on purchasing NSCs. In FY21, the net sales of NSCs stood at BDT 419.59 Bn.

<https://www.newagebd.net/article/177273/net-nsc-sales-halve-in-fy22>

Rise in remittance, dip in imports: Some breathing space for now

- The country's economy has got a welcome respite from the ongoing volatility, thanks to a rise in remittance inflow and decrease in imports last month.
- Imports in July fell by 31% to USD 5.50 Bn from USD 7.96 Bn a month ago while remittance went up by 14% to USD 2.09 Bn from USD 1.83 Bn, shows Bangladesh Bank data.

<https://www.thedailystar.net/business/economy/news/state-economy-some-breathing-space-now-3085381>

Trade deficit hits record USD 33.25 Bn in FY22

- Bangladesh's trade deficit hit a historic high of USD 33.25 Bn in the fiscal 2021-22 due to surged up import and commodity price hikes in the global market, according to the Bangladesh Bank.
- The current account deficit also surpassed USD 18.50 Bn during the time, showed central bank data updated on Monday. The trade deficit in FY21 stood at USD 23.78 Bn.

<https://www.tbsnews.net/economy/trade-deficit-hits-record-3325b-fy22-469458>

Mn of dollars missed on stalled refinery project

- Bangladesh misses out an opportunity to save annually around USD 250 Mn through lower imports and also to export huge refined petroleum as a much-needed refinery has long been "stalled".
- Had the 3.0-Mn-tonne-capacity crude-oil refinery been built in time, state expenditure on diesel and other petroleum products could be significantly cut down, says a senior official of the state-run Bangladesh Petroleum Corporation (BPC).

<https://today.thefinancialexpress.com.bd/first-page/millions-of-dollars-missed-on-stalled-refinery-project-1659378467>

BDT 2.36 Bn project to roll out 5G by next year

- The government is finally moving ahead with a project to roll out fifth-generation (5G) mobile internet services through state-run network provider Teletalk. The government will provide Teletalk with a total of BDT 2.36 Bn to prepare its existing cellular network for launching 5G services by 2023.

<https://www.thedailystar.net/business/telecom/news/tk-236cr-project-roll-out-5g-next-year-3084616>

Import falls following forex austerity

- Bangladesh's imports plummet following regulatory measures to ease pressure of import-payment obligations and thus buttress country's falling foreign-exchange reserves, officials say.
- The opening of letters of credit (LC), generally known as import orders, dropped over 31% to USD 5.47 Bn in July 2022 from USD 7.96 Bn a month before, according to Bangladesh Bank (BB)'s latest statistics.

<https://today.thefinancialexpress.com.bd/first-page/import-falls-following-forex-austerity-1659291556>

China becomes Bangladesh's top trading partner again

- Economic superpower China emerges as top trading partner of Bangladesh again, in May official ranking, outbidding next-door neighbour India's peak position in consecutive two months. According to Bangladesh Bureau of Statistics (BBS) data India had grabbed the top position in trading with Bangladesh in March and April 2022.
- Local industry and trade experts feel the uptrend in Bangladesh-China trade would continue in the years to come as the products of China are cheaper and vastly diversified. According to the BBS statistics, the bilateral trade in May last stood at BDT 1.8 Tn. And China also had nearly 17% share in the country's total trade.

<https://today.thefinancialexpress.com.bd/first-page/china-becomes-bangladeshs-top-trading-partner-again-1659291498>

Legal framework on access to NDB loans drafted

- The Bangladesh has drafted a legal framework to make the way for getting access to credit from the BRICS-led New Development Bank (NDB). The Economic Relations Division (ERD) under the Ministry of Finance has prepared the draft on the "New Development Bank Law-2022", finance ministry officials said.
- Trade experts and economists have viewed that opening up such avenues would be a wise option for the government in the wake of the country's growing need for increased budget support.

<https://today.thefinancialexpress.com.bd/first-page/legal-framework-on-access-to-ndb-loans-drafted-1659202013>

Weaker taka hits listed multinationals' profits

- Bangladesh Profits of most multinational companies listed in Bangladesh dropped in the first half of 2022 due to the depreciation of the local currency and higher consumer prices.
- Because of the weaker taka, the cost of imported raw materials for the foreign companies operating in the country has gone up, while rising inflation has hurt sales.

<https://www.thedailystar.net/business/economy/news/weaker-taka-hits-listed-multinationals-profits-3084631>

Apparel exports see nearly 14% growth in July

- Bangladesh's apparel exports have raked in around USD 2.78 Bn with nearly 14% year-on-year growth in the first 27 days of July, while the sector is bracing for around 30% shortage of work orders in the coming months. effort by the Bangladesh Petroleum Corporation (BPC) to hunt dollars to meet its import demand coupled with the suspension of LNG purchase from the international spot market has eased pressure on the country's foreign exchange reserves.

<https://www.tbsnews.net/economy/apparel-exports-see-nearly-14-growth-july-468230>

Import of apparel raw materials surges

- The import of basic raw materials used to produce garment items in Bangladesh surged in the first six months of 2022 on the back of a rise in demand in the export markets, even contributing to the dollar crisis in the country.
- The imports of yarn, cotton, knitted and woven fabrics rocketed in such a way that their combined value in the January-June period this year almost equalled that of the entire 2021.

<https://www.thedailystar.net/business/economy/news/import-apparel-raw-materials-surges-3083766>

Important News: Capital Market

Berger Paints' profit jumps

- Berger Paints Bangladesh Ltd posted a 23.49% year-on-year increase in profit in the April-June quarter of 2022. Consolidated earnings per share were BDT19.87 in the first quarter for the multinational company, whose financial year runs from April through March. It was BDT16.09 in April-June of 2021, according to the unaudited financial statements.
- The consolidated net operating cash flow per share was BDT 0.26 in negative against BDT 1.24 in the same quarter of 2021. The NOCFPS decreased due to an increase in trade debtors and a higher payment of tax, said the paints manufacturer in a filing on the Dhaka Stock Exchange yesterday.

<https://www.thedailystar.net/business/organisation-news/news/berger-paints-profit-jumps-3087321>

Pubali Bank's profit grows 31% in H1

- Pubali Bank a state-owned commercial bank reported a 31% growth in profit in the January to June period of 2022 compared to the same six months of the previous year. During the period, its net profit after tax increased to BDT2.43 Bn from BDT1.86 Bn in the H1 of 2021. However, its net interest income declined to BDT1.67 Bn year-on-year from BDT1.76 Bn in the first half.
- In the second quarter alone, the bank registered a 42% jump in profit to BDT1.20 Bn, year-on-year, thanks to a surge in investment and other incomes. But its net interest income in April to June quarter has also declined and stood at BDT563. 2 Mn, which was BDT756.1 Mn in the second quarter of 2021.

<https://www.tbsnews.net/economy/stocks/pubali-banks-profit-grows-31-h1-470174>

Dhaka Ins posts lower profit in Q2

- Dhaka Insurance Ltd's profit fell 35 % year-on-year in the second quarter of 2022. Earnings per share of the insurer were BDT 0.65 in April-June compared to BDT 1 during the same quarter last year, according to the unaudited financial statements. In the first half of 2022, the EPS stood at BDT 1.4, a year-on-year decline of 17.64% from BDT1.7 reported in the same first half of 2021.

<https://www.thedailystar.net/business/organisation-news/news/dhaka-ins-posts-lower-profit-q2-3085461>

Reckitt Benckiser suffers from surging raw material price

- Reckitt Benckiser (BD), a subsidiary of a British multinational consumer goods company has witnessed a deterioration in profit due to surging raw materials prices. As a result, despite an increase in revenue, it reported an 18% fall in profit in the first half of 2022. According to its financials, during the January-June period, its profit stood at BDT239.4 Mn, lower from BDT293.1 Mn in the same time of 2021.
- Its revenue increased to BDT2511.7 Mn, slightly up from BDT2507.6 Mn. However, the cost of goods increased by 18.64% to BDT1342.1 Mn as the price of raw materials kept increasing continuously. After Covid-19 broke out in 2020, the toiletries giant reported good revenue owing to the huge demand for hygiene products. When the pandemic eased down, the sales of its products and revenue declined.

<https://www.tbsnews.net/economy/stocks/reckitt-benckiser-suffers-surging-raw-material-price-469418>

Phoenix Ins profit declines in Apr-Jun

- Phoenix Insurance Company Ltd's profit declined 18.57 % year-on-year in the April-June quarter of 2022. According to the insurer's unaudited financial statements, earnings per share fell to BDT 0.57 in the quarter from BDT 0.70 reported in the same period last year.

<https://www.thedailystar.net/business/organisation-news/news/phoenix-ins-profit-declines-apr-jun-3085481>

Berger navigates well amidst inflationary pressure

- Berger Paints Bangladesh Limited has achieved better growth in both revenue and profit in the April-June quarter amidst surging raw material prices and the weakening BDT. In the three months through June this year, the multinational coating company's consolidated revenue jumped 30% to BDT6.86 Bn and net profit grew 23% to BDT921.5 Mn compared to the same period of last year.
- At the end of June, its consolidated EPS were BDT19.87, which was BDT16.09 at the same time a year ago, according to its financial statement. But its net operating cash flow per share remained negative because the suppliers' payout and tax burden increased compared to the cash received.

<https://www.tbsnews.net/economy/stocks/berger-navigates-well-amidst-inflationary-pressure-470178>

Rupali Bank to raise paid-up capital by issuing shares to govt

- State-owned Rupali Bank Limited wants to increase its paid-up capital by issuing shares in favor of the government against its share money deposit the money paid in exchange for shares. The government had earlier injected BDT6.79 Bn as a share money deposit for meeting the capital shortfall of the financial institution.

<https://www.tbsnews.net/economy/stocks/rupali-bank-raise-paid-capital-issuing-shares-govt-468814>

Bata Shoe profit surges 17-fold

- Bata Shoe Company (Bangladesh) Ltd reported a 1,587 % increase in profit in the April-June quarter of 2022. The multinational company's earnings per share rocketed to BDT 19.41 in the second quarter from BDT 1.15 during the same period a year ago, according to the unaudited financial statements.

- The EPS increase was driven by the growth in sales volume and amount, especially during Eid festivals, said the company in a filing on the Dhaka Stock Exchange. Shares of the company closed 6.88% higher at BDT 987 yesterday.

<https://www.thedailystar.net/business/organisation-news/news/bata-shoe-profit-surges-17-fold-3084596>

BAT Bangladesh posts revenue and profit growth in H1

- The British American Tobacco (BAT) Bangladesh a multinational cigarette manufacturer in the country registered a 7.62% revenue and a 6.03% net profit growth in the first half of 2022 compared to the first half of 2021. According to the company's half-yearly financials, in the January to June period of 2022, its revenue increased to BDT41.338 Bn, and net profit to BDT 9.14 Bn. Its EPS stood at BDT16.93, which was BDT15.96 in the same six months of the previous year.

<https://www.tbsnews.net/economy/stocks/bat-bangladesh-posts-revenue-and-profit-growth-h1-468158>

Paramount Textile to raise BDT 1.50 Bn

- Paramount Textile Ltd has received consent from the Bangladesh Securities and Exchange Commission to raise BDT 1.50 crore through the issuance of preference shares. The regulator has provided the approval for raising the capital only through the issuance of BDT150 Mn fully redeemable, non-convertible and cumulative preference shares of BDT10 each through a private placement.

<https://www.thedailystar.net/business/organisation-news/news/bata-shoe-profit-surges-17-fold-3084596>

BRAC Bank to disburse BDT 800 Mn to entrepreneurs at SME Clusters without any collateral

- BRAC Bank has partnered with SME Foundation to provide easy term loans to entrepreneurs in SME Cluster to help small businesses recover from the impact of the pandemic. SME Foundation has formed a revolving loan facility amounting to BDT 3.0 Bn with the fund from the government's stimulus package channelled through the foundation.

- Out of the total revolving fund, BRAC Bank will avail BDT 800 Mn, which will be disbursed to the entrepreneurs at various SME Clusters and other areas of the country at a subsidized rate of 4%. They will not need any collateral. BRAC Bank will give priority to women entrepreneurs in this loan facility.

<https://www.tbsnews.net/economy/banking/brac-bank-disburse-80-crore-entrepreneurs-sme-clusters-without-any-collateral-468730>

BSEC increases SME board investment limit to BDT3 Mn

- The securities regulator has increased the minimum investment limit from BDT2 Mn to BDT3 Mn for an investor to be qualified for trading shares of companies on the Small Capital Platform or the SME board of the exchanges. The commission has given three months to the investors who are already trading shares on the SME board with a portfolio of BDT2 Mn to increase their investment to BDT3 Mn.

<https://www.tbsnews.net/economy/stocks/bsec-increases-sme-board-investment-limit-tk30-lakh-466406>

Robi suffers losses in Q2

- Robi, the second-largest mobile phone operator in Bangladesh, reported a loss in the April-June quarter of 2022. Consolidated earnings per share were BDT 0.02 in the negative in the second quarter compared to BDT 0.09 posted during the same period a year ago, according to the unaudited financial statements. Consolidated EPS was BDT 0.05 for the first half of 2022, sharply down from BDT 0.15 reported during the identical January-June period last year.

<https://www.thedailystar.net/business/organisation-news/news/robi-suffers-losses-q2-3082326>

Jamuna Bank to issue BDT 5.0 Bn bond

- Jamuna Bank Ltd has decided to issue a BDT 5.0 Bn non-convertible coupon-bearing subordinated redeemable bond (5th phase). The capital raising is part of the tier-II revised regulatory capital framework for banks in line with Basel III through private placement.

<https://www.thedailystar.net/business/organisation-news/news/jamuna-bank-issue-tk-500cr-bond-3084586>

Delta Brac Housing's profit jumps 28%

- Delta Brac Housing Finance Corp. Ltd, one of the top financial institutions in the private sector of Bangladesh focused on the real estate sector, posted a 28 % year-on-year increase in profit in the April-June quarter of 2022. Its earnings per share were BDT1.23 in the quarter, which was BDT 0.96 in the April-June quarter of 2021, according to the unaudited financial statements. The EPS was BDT 2.81 in January-June this year compared to BDT 2.55 reported during the first half last year.

<https://www.thedailystar.net/business/organisation-news/news/delta-brac-housings-profit-jumps-28pc-3082311>

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