

Following is a summary of important business news published in the leading daily newspapers of Bangladesh. For the complete news, please follow the online link given below each news. Please note that the news summary doesn't reflect the opinion of BRAC EPL Stock Brokerage Limited.

Call money rate rises over 5.0% on government bank borrowing

■ The inter-bank weighted average rate of call money bounced back to over 5% after the nationwide lockdown was lifted as government borrowing from the banking sector surged amid revenue shortfalls. The rate was within 5.0% for around two months during the lockdown imposed by the government to contain the spread of the coronavirus pandemic. Although the banks facilitated transaction on a limited scale, demand for money was significantly low as almost all business activities were suspended during the lockdown.

■ Apart from the surge in demand after the lockdown was lifted, the government's heavy borrowing from the banking sector was another reason behind the rise in the call money rate. According to the central bank data, the weighted average rate of call money rose to 5.03% from May 31 as the banks had to pay the highest 5.5% against their borrowing through the call money market. The lowest rate witnessed was 4.5% since Sunday last week when the banks borrowed BDT 73.7 billion from the inter-bank call money market.

■ Between March 31 and May 28 this year, the highest borrowing rate on the call money market was 5% throughout the lockdown and the lowest rate was recorded at 3% on April 21. As a result, the call money rate was within 5% during the two-month lockdown. The weighted average interest rate on the call money market surpassed 5% for the first time on August 22 last year, hitting 5.02% for the first time after October 2015. The cut-off yield rate of the 20-day treasury bond rose to 9.2% on May 20 this year.

<https://www.newagebd.net/article/107801/call-money-rate-rises-over-5pc-on-government-bank-borrowing>

Forced loans during shutdown drive up private credit

■ While all business activities were in a standstill in April amid a countrywide coronavirus shutdown, the banking sector saw an improvement in private sector credit growth after a six-month downward trend. In April, credit growth increased to 8.82% from a historic low of 8.20% in the previous month, according to Bangladesh Bank data.

■ There are two major reasons behind the improvement in credit growth -- one is non-payment by borrowers and the other is forced loan, observes Md Arfan Ali, managing director of Bank Asia. Many importers are trying to apply force majeure provisions of the International Chamber of Commerce (ICC), the world business organization, says Standard Chartered Bangladesh Chief Executive Officer Naser Ezaz Bijoy. This is because importers could not make their payments amid business suspension during the shutdown, he adds.

■ Government borrowing also jumped to 79% in April from 44.6% in the previous month, according to Bangladesh Bank data. However, the credit growth in April was far below the monetary target of 14.8% set for the fiscal year 2019-20 by the Bangladesh Bank.

<https://tbsnews.net/economy/banking/non-payment-forced-loans-during-shutdown-help-credit-growth-pick-88909>

Ambitious budget despite country reeling from pandemic

■ Finance Minister AHM Mustafa Kamal is all set with his traditional briefcase to announce a budget of BDT 5.7 trillion or fiscal year 2020-21 with an unreasonable and ambitious target for revenue and growth. And such an ambitious move comes despite the fact that the country is currently plagued by the coronavirus pandemic. Amid limited economic activities to cope with rising cost pressures, a revenue target of BDT 3.3 trillion has been set for the National Board of Revenue (NBR). Even so, the government expects to attain 8.2% of GDP (gross domestic product) growth in the new fiscal year with an estimated budget deficit of 6.0%.

■ Research institutes at home and abroad have said it will take 2-3 years for the country's economy to recover from the fallout of Covid-19. Although some economists have recommended a six-month budget to deal with the pandemic, the

finance minister will propose the budget for a full fiscal year in parliament next Thursday.

- NBR Chairman Abu Hena Md Rahmatul Muneem has already written to Finance Secretary Abdur Rauf Talukder, terming the revenue target "unreasonable". According to him, revenue collection in the new financial year could reach the highest figure of BDT 2.5 trillion even if growth is 14% in line with the rate of previous several years. But the target has been set BDT 800.0 billion higher.

- The NBR chairman said due to the impact of Covid-19, BDT 2.2 trillion may be raised in revenue in the current financial year. But the new target is 50% higher. The revenue target for the current fiscal was BDT 3.3 trillion in the original budget, which is being revised to BDT 3.0 trillion.

<https://tbsnews.net/economy/budget/ambitious-budget-despite-country-reeling-pandemic-89680>

International Monetary Fund (IMF) forecasts delayed recovery for Bangladesh

- The economy will achieve a 3.8% growth in the 2019-20 fiscal year, higher than the initial forecast of 2.0%. It will take longer than previously expected for Bangladesh's economy to recover from the effects of the coronavirus pandemic as its spread did not slow down in the first half of the year, according to the IMF.

- The International Monetary Fund (IMF) has projected a 5.7% GDP growth for the next fiscal year, which is significantly lower than the forecast of 9.5% for the next calendar year that the agency had made in April. The IMF made the disclosure on Wednesday in a report prepared to approve USD 732 million in emergency support for Bangladesh. In the report, the organisation also said the Bangladeshi economy would achieve a 3.8% growth in the 2019-20 fiscal year, which will end this month. But the IMF had initially projected only a 2.0% growth for this fiscal year.

- Before the Covid-19 outbreak, however, Bangladesh was projected to achieve about 7.4% GDP growth in the current fiscal year. According to the report, the possibility of growth has reduced by 4.5 percentage points compared to that of the previous year – the largest one-year decline the country has faced in the last three decades. The report further said that the Bangladeshi economy may grow by 8% in the 2021-22 fiscal year.

<https://tbsnews.net/economy/imf-forecasts-delayed-recovery-bangladesh-89275>
<https://www.thedailystar.net/business/news/economy-blast-again-oct-imf-1909313>

Government pledges transparency, addressing banking sector ills to International Monetary Fund (IMF)

- Bangladesh has pledged to use the emergency assistance from the International Monetary Fund transparently and effectively, ensure fiscal discipline and prioritising addressing banking sector problems as it secured USD 732 million from the crisis lender to tackle the coronavirus pandemic. The finance ministry and the BB are finalising a letter of intent on their respective roles and responsibilities for servicing financial obligations to the IMF, they said.

- The government will publish online an audit of COVID-19-related expenditure and other government subsidised programmes by the Office of the Comptroller and Auditor General within 12 months and crisis-related public procurement contracts and related documents. On May 29, the executive board of the IMF approved a disbursement of USD 244 million under the Rapid Credit Facility and a purchase of USD 488 million under the Rapid Financing Instrument.

- The IMF assistance will help meet the urgent foreign exchange needs stemming from the disruptions to remittance and garment exports and mitigate the near-term pressure on the balance of payments and the budget. Bangladesh has announced a series of stimulus packages, including subsidised loans by banks, aggregating about BDT 1.03 trillion, which is 3.7% of GDP.

<https://www.thedailystar.net/business/news/govt-pledges-transparency-addressing-banking-sector-ills-imf-1909305>

Printing money will help meet budget deficit: Economists

■ Budget for FY21 at a glance: the government plans a BDT 5.7 trillion budget for next fiscal year; the revenue collection target has been set at BDT 3.9 trillion; the budget deficit stands at BDT 1.8 trillion which is 5.7% of GDP; GDP growth rate has been targeted at 8.2%; allocations under social safety net stand at BDT 880.0 billion. No hike in incentives to exports and remittances; the government will not get loans in large amounts from banks, the deficit will be met with loans from the central bank.

■ Economists say the government has announced various packages amounting to BDT 1.0 trillion to combat the effects of the coronavirus. Almost all of those will be disbursed from banks. In this situation, the scheduled banks do not have the opportunity to invest such a large amount of money in meeting the budget deficit. To meet the budget deficit, they suggested borrowing from the Bangladesh Bank by printing money and spending only on essential sectors instead of investing in projects not necessary at the moment.

<https://tbsnews.net/economy/printing-money-will-help-meet-budget-deficit-88438>

VAT's lofty dream on a splintered law

■ The National Board of Revenue (NBR) has failed to achieve a growth in revenue for the first time this year because of the incompleteness of the new VAT (value-added tax) law, which is also a puzzle to businesspeople. The NBR prescribed some reforms to the law – passed in parliament in 2012 – long after the board had made it effective from this fiscal year. But those reforms are yet to be completed.

■ Despite all these obstacles, the government is going to set a target of collecting BDT 1.3 trillion from VAT with 16% growth in the next budget. According to revenue board sources, the government is planning to raise the supplementary duty on mobile phone talk-time, cigarettes and luxury goods to achieve the target. The sources said the supplementary duty on mobile phone talk-time might be raised from 10% to 15%. Besides, the NBR has proposed raising the excise duty on bank deposits of more than BDT 1.0 million.

<https://tbsnews.net/economy/vats-lofty-dream-splintered-law-89371>

Government may cut import Advance Tax for industrial goods makers

■ The government may introduce a new slab of advance tax at the import stage for industrial products in the upcoming national budget for the fiscal year 2020-2021 to provide some relief to manufacturers. The rate of advance tax (AT), previously known as advance trade VAT, may be cut to 3 or 4% for industrial products and other products associated with industrial production and investment from the current 5%. The AT will remain unchanged at 5% for commercial products, officials of the finance ministry said.

■ Advanced Tax, introduced in the budget for the last FY20, is refundable but businesses have been claiming that are unable to obtain the refunds due to procedural complexities. In addition to the reduction in the rate of the AT, the National Board of Revenue will also ease the refund process so that businesses can get their money back easily.

■ Currently, account holders with bank balances, irrespective of whether the balance is debit or credit, exceeding BDT 0.1 million at any time during a year are subjected to excise duty while account holders with a balance below BDT 0.1 million are exempted from paying the indirect tax. Account holders with a balance of between BDT 0.11 million and BDT 0.5 million have to pay an excise duty of BDT 150 a year and the rate of tax goes up to BDT 25,000 per account for balances exceeding BDT 50 million any time in a year.

<https://www.newagebd.net/article/107799/government-may-cut-import-advance-tax-for-industrial-goods-makers>

Scheduled banks asked to submit info on daily basis

■ Bangladesh Bank (BB) has asked the scheduled banks to submit information on daily basis regarding the formation of the special fund earlier announced to support the country's ailing capital market. The BB delivered its instruction on Thursday after a decision taken in last week by the central bank and the securities regulator to accelerate the formation

of the bank's special fund worth BDT 2.0 billion each.

- According to a Bangladesh Bank official, the scheduled banks are asked to submit their information regarding formation of special fund on daily basis as part the BB's continuous move to support the capital market. a total of 12 private and state-owned commercial banks so far have taken their boards' approval to form the special fund, he added.
- The central bank issued a circular on February 10 last, allowing all the scheduled banks to create a BDT 2.0 billion special fund each for a period of five years for investment in the capital market.

<https://today.thefinancialexpress.com.bd/stock-corporate/scheduled-banks-asked-to-submit-info-on-daily-basis-1591458982>

Oxygen price shoots up astronomically

- Oxygen cylinder sale and rent have become a lucrative business with the growing number of Covid cases and sufferings at hospitals. A 2,000-litre cylinder was BDT 11,000 before Eid. It now sells at BDT 25,000-35,000, depending on brand names.
- The non-branded and low-quality Chinese cylinders of 1,400 litres was selling at BDT 5,000-6,000. Now, those are selling at BDT 10,000-12,000. The price of an oximeter earlier ranged between BDT 1,500 and BDT 2,000, but it has now reached BDT 4,000.
- The rental of an oxygen cylinder has also gone up manifold. Traders are renting a 1400-litre cylinder at BDT 5,000-6,000 a month with a security deposit of BDT 10,000.

<https://today.thefinancialexpress.com.bd/last-page/oxygen-price-shoots-up-astronomically-1591465047>

Some essentials' prices fall in city

- Prices of some essential commodities witnessed a decline last week, according to the city's kitchen market sources, giving consumers some relief during this pandemic period. Prices of broiler chicken, sugar, potato, coarse lentil, garlic, ginger, cardamom, clove and some vegetables dropped in last seven days.
- Broiler chicken was sold at BDT 130-145 a kg on Saturday, which was BDT 140-155 a kg a week back. Trading Corporation of Bangladesh (TCB) recorded 7.0% decline in chicken prices on an average in last seven days. Farm egg prices, however, witnessed a slight surge to BDT 100-104 a dozen during the period from BDT 90-96 a week back. Prices of hilsa and other fishes, beef and mutton remained the same, maintaining their previous high level. Beef price was BDT 580-600 a kg, mutton BDT 850-950 a kg, and hilsa fish BDT 1,000-1,350 a kg based on quality.
- Staple food rice and key spice onion remained static at their previous rates. Potato price showed BDT 4.0-6.0 a kg fall in last two days and was sold at BDT 24-26 a kg on Saturday. The cost of carrying a veggie-laden truck from Rangpur to Dhaka was BDT 12,000-14,000 before the pre-holiday period, which has skyrocketed to BDT 30,000-32,000 at present, he added.

<https://tbsnews.net/economy/stock/long-term-stock-investment-pays-88027>

<https://www.dhakatribune.com/business/commerce/2020/06/06/prices-of-most-essential-commodities-go-down-says-tcb-analysis>

National Board of Revenue (NBR) allows container trains to carry goods

- The National Board of Revenue (NBR) has allowed container train service on the Benapole-Petrapole route for the import of essential commodities in the wake of disruption in the movement of trucks carrying imported items. The movement of trucks remained suspended on this route since March 23 last following the coronavirus outbreak.
- The NBR has permitted the side-door container train service on the temporary basis to ensure smooth flow of import

of essential commodities from India. The NBR also asked the Benapole Customs House (BCH) to conduct 100% physical inspection of imported goods and comply with some other conditions. However, the container train service will be reviewed once the coronavirus situation becomes normal.

<https://today.thefinancialexpress.com.bd/first-page/nbr-allows-container-trains-to-carry-goods-1591464817>

Bangladesh Power Development Board (BPDB) seeks BDT 58.0 billion from government to meet expenses

■ The state-run Bangladesh Power Development Board (BPDB) has sought BDT 58.0 billion from the government to manage regular expenses, as a huge amount of its electricity bills remains due. The BPDB is the lone buyer of electricity from the country's all power plants, including oil-fired, gas-fired, hydro and coal-fired ones, and the entity has to pay the plant owners according to respective power purchase agreements (PPAs), BPDB Chairman said.

■ The household consumers have been asked to pay electricity bills for all these months along with that of May by June 30, according to a decision of the Power Division under the Ministry of Power, Energy and Mineral Resources. Other state-run distribution companies, however, only informed the government about the loss that they are incurring due to non-payment of electricity bills.

■ Officials said a good number of electricity consumers across the country allegedly got exorbitant bills during the past couple of months of nationwide shutdown. Some of them alleged that the electricity bill for the month of April was almost double than the previous month, and it was much higher than their consumption and expected amount. Usually a 5.0% surcharge is imposed on electricity bills against non-payment of bills for each month.

<https://today.thefinancialexpress.com.bd/first-page/bpdb-seeks-BDT-58b-from-govt-to-meet-expenses-1591464762>

Bangladesh Bank for stricter bank laws for errant directors

■ The Bangladesh Bank has suggested incorporating stricter provisions in the Bank Company Act to rein in errant bank directors and control personal, family and group of companies' influences over the financial institutions to restore discipline in the ailing banking sector. In addition, the central bank has come up with a host of other suggestions to reduce the risks in the banking sector, bring back good governance and to make it more reliable after reviewing the Financial Institutions Division's (FID) draft amendments to the Bank Company Act, 1991.

■ In the detailed recommendations, the central bank sees it necessary to impose restrictions on investment by an individual or a family or various companies under a single conglomerate in shares of more than one bank or other financial institutions to ensure good governance and sustainability in the sector.

■ The FID has prepared the draft law in line with a government initiative to amend the act to restore discipline in the financial sector and rein in default loans. The FID published its draft amendments to the Bank Company Act on its website on February 21 this year and sought opinions from the stakeholders on that within 21 working days.

<https://tbsnews.net/economy/banking/bb-stricter-bank-laws-errant-directors-89272>

Job cuts not announced, only speculated based on turbulent situation: BGMEA

■ Bangladesh Garment Manufacturers and Exporters Association (BGMEA) today said in a statement that the BGMEA president recently did not announce any job cut of garment workers, rather she expressed deep concerns and apprehension over possible job losses because of fallout from the Covid-19 pandemic. BGMEA, as an organisation, has no scope for making such announcement of job cuts, the statement also read.

■ Expressing concern over the current turbulent inflow of work orders and shipment situation of the apparel items from the country due to the pandemic, BGMEA came up with the statement while protesting a press conference of 'Garment Sramik Odhikar Andolon' -- a platform for workers' rights -- held today. The statement claimed that the news on BGMEA president's comments on possible job cuts were not presented correctly, as many thought that she announced

termination of garment workers since factories are running at 55% capacity at present.

■ "Some 348 factories faced closure over the last two months while some 1,926 are in operations now," the statement also said. The factory managements will have to run their units at below capacity if the situation of work orders does not improve soon. As a result, a pressure would be created in the job creation not only in the garment sector, but also in other sectors. The employment of the workers might be reduced a bit in such a situation, BGMEA said.

<https://www.thedailystar.net/business/news/job-cuts-not-announced-only-speculated-based-turbulent-situation-bgmea-1909933>

Sears to face legal action from Bangladeshi RMG suppliers

■ According to the suppliers' lawyers, more than USD 21.0 million of their clients' products have already been shipped and are being stored by Transformco's carriers in US ports. Lawyers of 19 Bangladeshi readymade garment (RMG) factory owners have threatened to take legal action against the parent company of American retailer Sears for allegedly refusing to settle more than USD 40.0 million in outstanding dues.

■ According to the suppliers' lawyers, more than USD 21 million of their clients' products have already been shipped and are being stored by Transformco's carriers in US ports. More than two dozen Bangladeshi suppliers are in similar "deep trouble" after Sears Holdings allegedly canceled or withheld orders. In early April, Transformco, which also owns Kmart, temporarily closed all Sears stores—but not distribution centers or customer care—in a bid to help slow the spread of the Covid-19 contagion.

■ According to the president of BGMEA, the Bangladeshi apparel sector may lose as much as USD 5.0 billion in the outgoing 2019-20 fiscal year due to the slump triggered by the global coronavirus pandemic Bangladesh Garment Manufacturers and Exporters Association (BGMEA). The factories are now running at only 55%% capacity due to lesser work orders.

<https://www.dhakatribune.com/business/2020/06/06/sears-to-face-legal-action-from-bangladeshi-rmg-suppliers>

North America-based RMG platform closes Bangladesh activities

■ 'Nirapon', a platform of North America-based apparel brands and retailers, has closed its activities in the country. "Nirapon will continue its focus on safety while shifting to a more streamlined organisational structure based in North America. The restructure is effective on May 31," it said in a statement issued on May 29. The platform, however, said it will continue to monitor safety in more than 600 factories via a new third-party monitoring organisation, to be announced later.

■ A total of 21 global apparel brands along with more than a dozen of former Alliance-signatory members, including Gap, Walmart, JC Penny and VF, launched 'Nirapon' in March last year to oversee the ongoing safety, training and helpline efforts in the Alliance-listed 600 garment factories.

■ As a consortium of 21 brands and retailers, working to promote a culture of safety in more than 600 apparel factories, safety monitoring will continue and be improved with a new third-party monitoring organisation, to be announced at a later date, the statement also said.

■ With the announcement of Nirapon's closure, both the western retailers' platforms - Accord and Alliance - ended their safety activities in the country's RMG industry.

<https://today.thefinancialexpress.com.bd/last-page/north-america-based-rmg-platform-closes-bd-activities-1591465222>

Bangladesh finally gets its own contact tracing app

■ Bangladesh yesterday rolled out a contact tracing app on a trial basis to warn users if they have been near someone

who later tested positive for the coronavirus and suggest the next course of actions in a bid to flatten the curve on the rogue pathogen. To avail the service, smartphone users need to use mobile application Corona Tracer BD, a contact tracing app.

■ The app has been developed by local technology company Shohoz under an initiative of the ICT Division and the Directorate General of Health Services (DGHS) to bring the people of the country together in its fight against the COVID-19. The app utilises Bluetooth signal to understand whether a user is near another individual who was tested positive in the past and this will help users find out whether they are at risk of COVID-19.

<https://www.thedailystar.net/business/telecom/news/bangladesh-finally-gets-its-own-contact-tracing-app-1909309>

Yabang Group plans USD 1.0 billion investment in Bangladesh

■ Chairman of Yabang Group Xiaochu Xu has met Bangladesh Ambassador to China Mahbub Uz Zaman at his office in Beijing and discussed investment plans in Bangladesh, reports UNB. They plan to invest in building a large scale industrial park in Bangladesh. If things go according to plan, the initial investment may be around USD 1.0 billion, said the Ambassador on Friday. The investment is likely to generate employment for around 10,000 persons.

■ Their focus is on printing and dyeing, pharmaceuticals and other chemical plants. Xu was accompanied by Jianling Li , General Manager, Jiangsu Yabang Dyestuff Limited at the meeting held on Thursday. The Yabang Investment holding group is one of the three leading companies in the chemical sector and among the 500 top listed companies in China . It has more than 15000 employees.

<https://today.thefinancialexpress.com.bd/trade-market/yabang-group-plans-10b-investment-in-bd-1591460025>

Black money allowed in stocks, realties

■ The stock market and the real estate industry anticipate a major boost as the government plans on allowing unconditional investment of untaxed money in these sectors for one year beginning from July 1, 2020. People who will avail the facility to invest in securities such as stocks, mutual funds and bonds will have to pay only 10% tax within 30 days of their investments without any penalty.

■ The stock market will enjoy the benefit of investments from undisclosed income after more than two decades. Earlier in 1998, two years after the devastating crash of the stock market, a similar facility was offered by the then finance minister Shah MS Kibria for three years.

■ The real estate sector that is currently enjoying investments of untaxed money only on buying apartments will get the benefit expanded to the purchase and development of land. People have to pay different amounts of taxes ranging from BDT 500 to BDT 20,000 per square metre depending on the locations of the purchased lands. The lowest tax rate will be applicable for remote village areas, while the highest rate will be applicable for Gulshan and Banani areas of the capital. For municipality areas, the minimum tax will be set at BDT 5,000 per square metre. On the other hand, BDT 500 to BDT 4,000 per square meter will be payable as taxes for buying buildings or apartments in different areas.

■ Both stock market and real estate operators have welcomed the move and termed it a "great decision" towards making these two sectors vibrant.

<https://tbsnews.net/economy/black-money-allowed-stocks-realties-89683>

Dhaka Stock Exchange (DSE) delisting rules propose buy-back, liquidation system

■ The Dhaka Stock Exchange has proposed that sponsor-directors of non-performing companies should buy back shares of the public shareholders after delisting of their companies, and return the surplus capital to the shareholders following forceful liquidation of the companies. The bourse has also suggested a two-year 'rehabilitation period' for the non-performing companies for giving them a chance for reviving their business before delisting.

- The DSE in March sought approval from stock market regulator Bangladesh Securities and Exchange Commission regarding its proposals on procedures of delisting a company and amending clause 51 of the DSE listing regulation, 2015. DSE officials said that the bourse made the proposal after the BSEC on October 15 last year asked it to make a proposal regarding delisting of a company as the current rules did not support it.
- According to the proposed rules, if any issuer fails to hold annual general meeting for three consecutive years and keeps suspended commercial operation for a period of consecutive two years, the company might be delisted. The stock exchange may, in appropriate cases, file criminal cases against the identifiable sponsor-directors of the company for the non-compliance with securities rules.

<https://www.newagebd.net/article/107800/dse-delisting-rules-propose-buy-back-liquidation-system>

Floor price drags down DSE turnover to a 13-year low

- Turnover on the Dhaka Stock Exchange (DSE) plunged 72% to BDT 429.7 million yesterday, the lowest in 13 years, as investors refrained from trading because of the floor price set by the regulator. The previous lowest turnover of BDT 403.9 million was recorded on April 24 in 2007, data from the premier bourse showed. The Chittagong Stock Exchange too saw a similar trading activity with shares worth only BDT 45.9 million changing hands.
- The fall in turnover, an important indicator of the market, came after the Bangladesh Securities and Exchange Commission (BSEC) set the floor price of all stocks on March 19 by taking into account the average price of previous five trading days to prevent the massive decline of the index amid the coronavirus pandemic. The move made the capital market illiquid and after the floor price was introduced, the turnover averaged just BDT 1.8 billion, way lower than BDT 4.0 billion previously.
- Investors are keeping their hands off to see how the market behaves after the regulator withdraws the floor price, according to a merchant banker. The index may nosedive abruptly when the floor price is scrapped because it is not possible to keep the stock price up artificially, he said.
- The pandemic-induced shutdown has battered the business of the listed companies as operations were closed for two months as part of a government effort to contain the virus and the demand has collapsed. Only some pharmaceuticals, telecommunications and technology-related companies would be able to make profits in the current year, while others would incur losses, said a top official of an asset management company.

<https://www.thedailystar.net/business/news/floor-price-drags-down-dse-turnover-13-year-low-1909301>

Pharma sector snares 53.0% turnover on main bourse

- Pharmaceuticals sector topped the weekly turnover chart on the Dhaka bourse, the first week after 66 day-long closure, as investors are anticipating brisk business amid rising Covid-19 cases in the country. Market operators said despite bearish market, some investors showed their appetite on selective pharmaceuticals & chemical stocks as they are expecting positive financial impact of Covid-19 on pharmaceutical issues in the coming quarters.
- The pharma sector accounted for 53% of the week's total turnover with six firms - Square Pharma, Beximco Pharma, Indo-Bangla Pharma, Orion Pharma, Central Pharma and Silva Pharma-- came from the sector out of top 10 turnover chart. Square Pharma topped the week's turnover chart with shares worth BDT 671 million changing hands during the week, which was 9.70% of the week's total turnover, according to statistics from the DSE. Each share of the Square Pharma closed at BDT 172.5 on Thursday, the last trading day of the week, shedding 9.0% over the last week. The company's share was traded between BDT 156.5 and BDT 266.2 in the last one year.

<https://today.thefinancialexpress.com.bd/stock-corporate/pharma-sector-snares-53pc-turnover-on-main-bourse-1591459332>

Tanjil Chowdhury elected new chairman of Prime Bank

■ Tanjil Chowdhury has been elected the new Chairman of Prime Bank Limited. The Board of Directors of the Bank at its 500th Board Meeting held recently unanimously elected him the Chairman. He is succeeding Azam J Chowdhury. At the age of 36, Tanjil Chowdhury has become the youngest serving Chairman of a private commercial bank in Bangladesh. He had previously served both as a Board Member and the Chairman of the Executive Committee of the Bank.

■ Tanjil Chowdhury is the Managing Director of East Coast Group, a diversified conglomerate with more than 42 years of experience in the downstream hydrocarbons and energy sector. He served as the President of Bangladesh Merchant Bankers Association (BMBA) from 2014 to 2015 and also as the President of Solar Module Manufacturers Association of Bangladesh (SMMAB). He is also Chairman of the Prime Exchange Singapore Pte. Ltd, Prime Bank's remittance arm in Singapore.

■ He completed his BA (Hons) in Accounting and Finance with distinction and went to complete MSc. in International Management (Finance) from prestigious King's College London, University of London.

<https://today.thefinancialexpress.com.bd/stock-corporate/tanjil-chowdhury-elected-new-chairman-of-prime-bank-1591459122>

<https://tbsnews.net/economy/banking/tanjil-chowdhury-new-chairman-prime-bank-89533>

<https://www.newagebd.net/article/107796/tanjil-chowdhury-elected-prime-bank-chairman>

<https://www.dhakatribune.com/business/banks/2020/06/06/prime-bank-gets-new-chairman>

'JMI supplied research stage masks made from unauthorised imported material'

■ JMI Hospital Requisite Manufacturing Ltd delivered research stage N95 labelled masks instead of a general mask demanded by the Central Medical Stores Depot (CMSD). These masks were made from unauthorised imported material. The probe committee formed to investigate the allegations of substandard mask supply gave its findings.

■ Several state-run hospitals were supposed to receive N95 masks instead of the ordinary ones. The committee submitted its report to the Health Services Division on April 27. Since then health ministry officials have remained tight-lipped whenever asked about the report findings. However, the probe committee report suggested taking action against the officials who received the products labelled as N95 masks without informing the CMSD director.

<https://tbsnews.net/bangladesh/corruption/jmi-supplied-research-stage-masks-made-unauthorised-imported-material-89662>

World Stock and Commodities*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 39.55	(USD 22.08)	-35.83%
Crude Oil (Brent)*	USD 42.30	(USD 26.14)	-38.19%
Gold Spot*	USD 1,685.06	USD 163.59	10.75%
DSEX	3,953.39	-499.54	-11.22%
S&P 500	3,193.93	-36.85	-1.14%
FTSE 100	6,484.30	-1102.75	-14.53%
BSE SENSEX	33,980.70	-7661.44	-18.40%
KSE-100	34,119.39	-6615.69	-16.24%
CSEALL	4,782.43	-1346.78	-21.97%

Exchange Rates

USD 1 = BDT 84.93*

GBP 1 = BDT 107.59*

EUR 1 = BDT 95.90*

INR 1 = BDT 1.12*

*Currencies are taken from XE Currency Converter and Commodities are taken from Bloomberg.

IMPORTANT DISCLOSURES

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

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

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

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

BRAC EPL Stock Brokerage Limited

Research

Ayaz Mahmud, CFA	Head of Research	ayaz.mahmud@bracepl.com	01708 805 221
Sadman Sakib	Research Associate	sadman.sakib@bracepl.com	01730 727 939
Md. Rafiqul Islam	Research Associate	mrafiqulislam@bracepl.com	01708 805 229
Md. Mahirul Quddus	Research Associate	mmahirul.quddus@bracepl.com	01709 636 546

International Trade and Sales

Ahsanur Rahman Bappi	Head of International Trade & Sales	bappi@bracepl.com	01730 357 991
----------------------	-------------------------------------	--	---------------

BRAC EPL Research www.bracepl.com

Symphony, Plot No.: S.E.(F) – 9(3rd Floor), Road No.: 142
 Gulshan Avenue, Dhaka – 1212
 Phone: + (880)-2-9852446-50
 Fax: + (880)-2-9852451-52
 E-Mail: research@bracepl.com