

## Weekly Market Update

### Capital Market Overview

The market closed in green this week. The benchmark index DSEX (+0.17%) gained 9.22 points and closed the week at 5,506.78 points. The blue-chip index DS30 (-0.46%) lost -8.98 points and stood at 1,942.36 points. The Shariah-based index DSES (-0.10%) lost -1.17 points and stood at 1,207.53 points. The large cap index CDSET (-0.33%) lost -3.50 points and closed at 1,052.67 points. DSEX, DS30, DSES and CDSET showed YTD returns of -11.84%, -7.23%, -11.48%, -12.48%, respectively.

**Total Turnover During the Week (DSE):** BDT 44.5 billion (USD 377 million)

**Average Daily Turnover Value (ADTV):** BDT 8.9 billion ( $\Delta\%$  Week: +44.5%)

**Market P/E:** 14.7x

### Daily Index Movement during the Week

The market performed five sessions during this week. The market started on a positive note on Sunday (+1.12%) and it remained positive throughout Monday (+0.10%) and Tuesday (+0.54%). But the market turned negative on Wednesday (-0.47%) and ended on a negative note on Thursday (-1.11%).

### Sectoral Performance

• Financial sectors posted mixed performance this week. General Insurance booked the highest gain of 2.79% followed by Mutual Fund (+2.36%), and Bank (+1.32%). NBFIL experienced the highest loss of 1.56% followed by Life Insurance (-0.54%).

• All the non-financial (large-cap) sectors registered negative performance this week. Engineering experienced the highest loss of 4.83% followed by Telecommunication (-1.13%), Food & Allied (-0.63%), Pharmaceutical (-0.49%), and Fuel & Power (-0.39%).

### Macroeconomic arena

• Billion 10, EB Solutions secure USD 280 Mn Chinese investment. Eid vacation causes slight dip in import LC opening, settlement in June. Reserves drop to USD 20.46 Bn after ACU clearance. BANK | New rules in the making to give more autonomy to Bangladesh Bank. FUEL & POWER | Gas supply system suffers fresh setback. Economic growth hits 6.12% in Q3 of FY24, highest in three quarters. FBCCI seeks stronger economic ties with China. NBR expects BDT 113 Bn additional VAT in FY25. BANK | Instant bank-MFS transaction swap rules announced. BANK | State banks nowhere near target to retrieve funds from top defaulters. Govt plans raising BDT 50 Bn with Sukuk to supplement bonds. Digital trade: Bangladesh could earn USD 0.6 Bn more in exports. Govt reaching out to small pockets to minimise revenue shortfalls. Low-income people struggle as high inflation eats away income gains. BANK | Shariah-based banks see loan growth outpace deposits by ninefold in 6 months. IT | Bangladesh scores 62, lower than most Asian peers.

• BANK | Defaulters allowed 3-year exit facility with 10% down payment. BANK | Cenbank imposes conditions on banks on appointing audit firms for export incentives. BANK | ACC seeks BB info on BDT 33 Bn Islami Bank loan. Japan keen on skilled Bangladeshi workers, offers infrastructure loans. FY24 inflation soars to 13-year high. Business expansion slows in June. Large corporates pay 11.31% higher yet taxmen fail target in FY24. RMG | Chinese business delegation discusses collaborative opportunities with BGMEA. Unlocking China's market: Strategies for Bangladesh to enhance exports. Bangladesh pays Russia USD 15 Mn in BDT for Rooppur plant as dollar payment stalled. Foreign loan commitments up 9% in FY24, yet remained below USD 10 Bn. Some spending suspended amid fund crunch. Large-scale industry throughput marks slow pickup. Distorted data leading to flawed policies. Building hi-tech parks in districts: progress only 14% in 7 years. RMG | RMG value addition falls to 55.4% in Jul-Mar of FY24; Exporters fear for GSP Plus. RMG | Apparel shipment to the USA declines by 12.31%.

### Stock Market arena

• ICB | ICB won't invest in junk stocks. DESCO | DESCO to issue shares to govt, with retail investors' interest 'protected'. BXPHERMA | Beximco Pharma secures EUR 24.9 Mn for business expansion. SUNLIFEINS | Overspending limits life insurer's capacity to settle claims. EXCHANGE | Country's first ETF struggles to get private subscription. EXCHANGE | Delisted firms must maintain 35% free-float shares for relisting. EXCHANGE | Outflow of overseas funds continues as asset value erodes. SONALIANSH | Two directors of Sonali Aansh sell 1.07 Mn shares worth BDT 320 Mn. HFL | Hamid Fabrics 'halts production' due to gas crisis, capital shortage: BTMA. EXCHANGE | BSEC fines 75 individuals, institutions BDT 260 Mn in FY24 for violating laws, manipulating shares. YPL | Yeakin Polymer to transfer shares to new owners. EXCHANGE | BSEC suspends trades by another RACE-managed fund. EXCHANGE | BSEC launches IT audit of stock exchanges.

Jul 11, 2024 (Week: Jul 07, 2024 – Jul 11, 2024)

**Dhaka Stock Exchange**

**DSEX ended in Green (+0.17%) in the week**

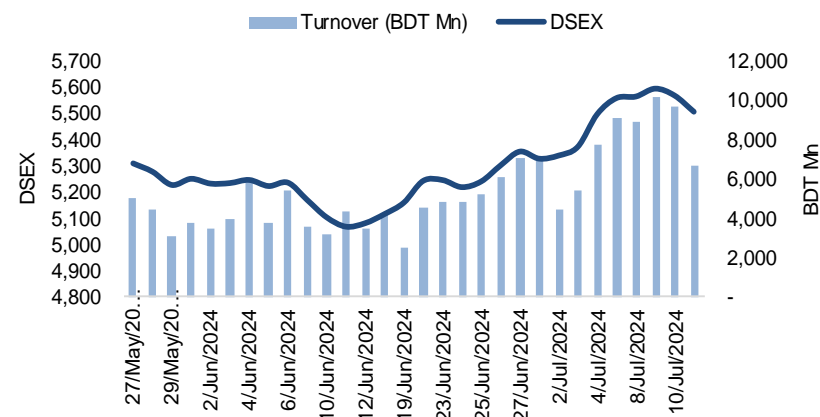
Table 1: Index

Index	Closing*	Opening*	$\Delta$ (Pts)	28-Dec-2023	$\Delta\%$ Week	$\Delta\%$ YTD
DSEX	5,506.78	5,497.56	+9.22	6,246.50	+0.17%	-11.84%
DS30	1,942.36	1,951.34	-8.98	2,093.83	-0.46%	-7.23%
DSES	1,207.53	1,208.70	-1.17	1,364.13	-0.10%	-11.48%
CDSET	1,052.67	1,056.17	-3.50	1,202.82	-0.33%	-12.48%

Table 2: Market Statistics

		This Week	Last Week	% Change
Mcap	Mn BDT	6,636,526	6,710,633	-1.1%
	Mn USD	56,265	56,894	
Turnover	Mn BDT	44,480	24,633	+80.6%
	Mn USD	377	209	
Average Daily Turnover	Mn BDT	8,896	6,158	+44.5%
	Mn USD	75	52	
Volume	Mn Shares	1,511	717	+110.8%

Figure 1: DSEX & Turnover in last four weeks



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**Table 3: Top Ten Gainers**

Company Name	Close*	Open*	Δ%	Mcap**	Turnover**	PE	PB
DESHBANDHU	37.4	28.8	+29.9%	2,295	346.1	63.4x	1.9x
GHCL	47.8	37.0	+29.2%	3,442	329.9	NM	1.1x
SALVOCHEM	52.9	44.0	+20.2%	3,440	999.8	25.9x	3.2x
REPUBLIC	40.7	34.7	+17.3%	2,120	173.2	17.9x	2.2x
AFTABAUTO	43.2	37.5	+15.2%	4,560	688.6	NM	0.9x
NRBBANK	11.5	10.0	+15.0%	7,942	265.7	11.1x	0.9x
BEACHHATCH	92.0	80.3	+14.6%	3,809	1,069.2	47.7x	7.4x
KBPWBIL	133.0	116.1	+14.6%	13,045	151.1	NM	11.3x
KTL	15.8	13.8	+14.5%	1,838	204.4	83.2x	0.9x
HRTEX	48.4	42.8	+13.1%	1,414	125.2	NM	1.4x

**Table 4: Top Ten Losers**

Company Name	Close*	Open*	Δ%	Mcap**	Turnover**	PE	PB
UNILEVERCL	2,560.9	2,823.7	-9.3%	49,360	245.9	57.2x	19.1x
WALTONHIL	597.4	658.1	-9.2%	180,969	129.7	14.0x	1.7x
TUNGHAI	4.2	4.6	-8.7%	448	5.6	NM	NM
CRYSTALINS	91.8	100.1	-8.3%	4,039	72.9	32.6x	3.7x
GLDNJMF	16.0	17.4	-8.0%	1,600	163.2	NM	1.6x
PTL	67.2	72.4	-7.2%	10,942	189.9	10.0x	1.7x
DGIC	29.8	32.0	-6.9%	1,192	52.0	32.4x	2.5x
LINDEBD	1,147.9	1,230.5	-6.7%	17,469	128.0	31.2x	2.9x
SEAPEARL	86.8	93.0	-6.7%	10,481	1,784.3	29.1x	4.5x
ADNTEL	100.1	107.0	-6.4%	6,472	170.6	NM	3.2x

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

Company Name	Close*	Open*	Δ%	Mcap**	Turnover**	PE	PB
SEAPEARL	86.8	93.0	-6.7%	10,481	1,784.3	29.1x	4.5x
BEACHHATCH	92.0	80.3	+14.6%	3,809	1,069.2	47.7x	7.4x
ORIONPHARM	71.2	73.9	-3.7%	16,661	1,066.5	16.2x	0.8x
SALVOCHEM	52.9	44.0	+20.2%	3,440	999.8	25.9x	3.2x
ASIATICLAB	54.0	50.7	+6.5%	6,609	892.0	NM	1.1x
FEKDIL	19.7	19.2	+2.6%	4,309	801.1	12.6x	1.0x
LOVELLO	97.0	91.7	+5.8%	8,245	799.1	70.3x	7.3x
AFTABAUTO	43.2	37.5	+15.2%	4,560	688.6	NM	0.9x
AIL	116.0	115.3	+0.6%	5,133	675.5	47.0x	4.8x
BATBC	334.2	330.3	+1.2%	180,468	630.9	10.3x	3.4x

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

Company Name	Close*	YTD %Δ	Mcap**	PE	PB
UNILEVERCL	2,560.9	+26.8%	49,360	57.2x	19.1x
HEIDELBCEM	273.5	+14.2%	15,454	33.2x	3.7x
BRACBANK	36.7	+12.8%	64,948	7.3x	0.9x
JAMUNAOIL	178.8	+6.1%	19,744	4.9x	0.8x
CITYBANK	20.0	+2.8%	26,942	4.1x	0.6x
SQURPHARMA	214.5	+2.0%	190,144	9.4x	1.6x
BERGERPBL	1,807.4	+1.9%	83,823	25.8x	6.2x
MPETROLEUM	199.3	+0.4%	21,567	4.6x	0.9x
SHAHJABANK	18.3	-	20,367	5.5x	0.8x
BSRMLTD	90.0	-	26,873	4.6x	0.6x

**Table 7: Sector Indices**

Sector Name	Week Close*	Week Open*	Year Open*	Δ% Week	Δ% YTD
Bank	1,343.4	1,325.9	1,455.32	+1.32%	-7.69%
NBFI	1,192.3	1,211.3	1,902.52	-1.56%	-37.33%
Mutual Fund	700.5	684.3	876.90	+2.36%	-20.12%
General Insurance	3,300.5	3,210.9	3,489.09	+2.79%	-5.41%
Life Insurance	2,087.8	2,099.2	2,637.78	-0.54%	-20.85%
Telecommunication	4,086.7	4,133.3	4,945.60	-1.13%	-17.37%
Pharmaceutical	3,214.8	3,230.6	3,732.58	-0.49%	-13.87%
Fuel & Power	1,263.0	1,268.0	1,691.80	-0.39%	-25.35%
Cement	2,375.7	2,400.7	2,523.22	-1.04%	-5.85%
Services & Real Estate	1,554.4	1,607.5	1,518.57	-3.30%	+2.36%
Engineering	3,039.8	3,194.0	4,520.40	-4.83%	-32.75%
Food & Allied	16,383.6	16,487.8	21,180.76	-0.63%	-22.65%
IT	2,645.5	2,693.6	2,894.80	-1.79%	-8.61%
Textile	1,273.1	1,274.4	1,658.23	-0.10%	-23.23%
Paper & Printing	7,272.2	7,282.8	10,093.63	-0.15%	-27.95%
Tannery	2,437.9	2,485.5	3,103.94	-1.92%	-21.46%
Jute	17,317.2	16,692.9	17,683.51	+3.74%	-2.07%
Ceramics	531.9	532.7	694.56	-0.15%	-23.42%
Miscellaneous	4,303.8	4,274.1	4,265.32	+0.69%	+0.90%

**Table 8: Sector Trading Matrix**

Sector Name	Daily average this Week	Daily average last Week	% Change	% of Total Turnover	PE	PB
Bank	541.8	291.4	+85.91%	+6.46%	7.4x	0.6x
NBFI	158.2	96.7	+63.60%	+1.89%	NM	NM
Mutual Fund	383.2	184.7	+107.52%	+4.57%	NM	0.6x
General Insurance	564.2	288.5	+95.56%	+6.73%	17.3x	1.5x
Life Insurance	300.3	195.7	+53.50%	+3.58%	NM	NM
Telecommunication	100.0	91.4	+9.41%	+1.19%	10.7x	2.9x
Pharmaceutical	1,453.6	911.9	+59.40%	+17.34%	16.6x	1.8x
Fuel & Power	257.2	170.2	+51.14%	+3.07%	21.8x	0.7x
Cement	125.5	105.5	+18.98%	+1.50%	16.4x	2.3x
Services & Real Estate	623.5	299.5	+108.16%	+7.44%	26.9x	0.6x
Engineering	885.8	505.5	+75.24%	+10.57%	14.7x	1.1x
Food & Allied	892.9	593.1	+50.55%	+10.65%	16.0x	5.0x
IT	380.8	235.0	+62.09%	+4.54%	28.7x	2.3x
Textile	941.8	539.3	+74.63%	+11.24%	NM	0.9x
Paper & Printing	210.6	154.7	+36.13%	+2.51%	46.9x	1.4x
Tannery	153.8	91.7	+67.85%	+1.84%	38.4x	2.6x
Jute	66.3	54.5	+21.48%	+0.79%	NM	NM
Ceramics	141.2	81.1	+74.22%	+1.69%	46.1x	1.4x
Miscellaneous	200.9	132.6	+51.48%	+2.40%	39.5x	1.8x

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

Company Name	Close*	YTD %Δ	Mcap**	PE	PB
IPDC	21.3	-61.2%	8,299	24.0x	1.2x
DOREENPWR	29.4	-51.8%	5,325	7.4x	0.6x
ACI	132.6	-49.0%	10,105	NM	1.3x
BSCPLC	116.4	-46.8%	19,195	9.9x	1.3x
RUNNERAUTO	26.8	-44.6%	3,043	NM	0.5x
WALTONHIL	597.4	-43.0%	180,969	14.0x	1.7x
TITASGAS	23.8	-41.8%	23,543	NM	0.3x
BBSCABLES	29.1	-41.7%	6,161	NM	0.9x
DBH	33.1	-41.6%	6,583	7.4x	0.7x
UPGDCL	138.3	-40.8%	80,172	10.7x	2.4x

## Important News: Business, Economy & Sector

### Billion 10, EB Solutions secure USD 280 Mn Chinese investment

- During Prime Minister Sheikh Hasina's official visit to China, Billion 10 Communications Limited and EB Solutions Limited signed six agreements, securing USD 280 Mn in investment for Bangladesh. These investments target sectors like electric vehicles (EV) and renewable energy, strengthening economic ties between the two nations.

<https://thefinancialexpress.com.bd/economy/billion-10-eb-solutions-secure-280m-chinese-investment>

### Eid vacation causes slight dip in import LC opening, settlement in June

- According to central bank data, state-owned and private banks in Bangladesh opened import LCs worth USD 5.17 Bn in June, down from USD 6.83 Bn in May. However, LC openings in June increased by nearly 6% compared to the same period last year.

<https://www.tbsnews.net/bangladesh/eid-vacation-causes-slight-dip-import-lc-opening-settlement-june-896676>

### Reserves drop to USD 20.46 Bn after ACU clearance

- Following the clearance of USD 1.42 Bn in import bills through the Asian Clearing Union (ACU) for May and June, the country's foreign exchange reserves stood at USD 20.46 Bn according to BPM6 standards on Wednesday (10 July).

<https://www.tbsnews.net/economy/gross-reserve-falls-2046-billion-after-acu-payment-896486>

### BANK | New rules in the making to give more autonomy to Bangladesh Bank

- The government is going to amend the Bangladesh Bank Order, 1972 to align it with global best practices and give the central bank more autonomy so that it can initiate steps to help the economy deal with pressure.

<https://www.thedailystar.net/business/economy/news/new-rules-the-making-give-more-autonomy-bangladesh-bank-3654111>

### Economic growth hits 6.12% in Q3 of FY24, highest in three quarters

- Bangladesh's economy posted 6.12% growth in the third quarter (January-March) of the recently concluded fiscal year, recovering from the second quarter's low of 3.78% driven by sizeable growth across sectors – agriculture, industry and service.

<https://www.tbsnews.net/economy/gdp-grows-612-third-quarter-fy24-895521>

### FUEL & POWER | Gas supply system suffers fresh setback

- A major pipeline dedicated to carrying RLNG from Moheshkhali Island was damaged Tuesday afternoon. Immediately after the incident, the authorities concerned had to squeeze re-gasification of liquefied natural gas (LNG) at the presently lone-operational FSRU of Excelerate Energy by nearly 63% to 225 mmcf only from usual output of 607 mmcf.

<https://thefinancialexpress.com.bd/economy/gas-supply-system-suffers-fresh-setback>

### FBCCI seeks stronger economic ties with China

- FBCCI, the apex trade organisation of Bangladesh, has called for stronger trade and economic ties with China through strengthened collaboration with Chinese counterparts such as the China Council for the Promotion of International Trade (CCPIT) and the China Chamber of International Commerce (CCOIC).

<https://www.tbsnews.net/economy/fbcci-seeks-stronger-economic-ties-china-895626>

### NBR expects BDT 113 Bn additional VAT in FY25

- The revenue board has estimated BDT 113 Bn in additional value-added tax (VAT) in fiscal year 2024-25, riding on a fiscal measure having no new exemption for businesses. A big chunk has been projected from the tobacco sector, followed by at-source VAT on retail businesses, telecoms sector and excise duty from bank depositors.

<https://thefinancialexpress.com.bd/economy/nbr-expects-tk-113-billion-additional-vat-in-fy25>

### BANK | Instant bank-MFS transaction swap rules announced

- A much-awaited modus operandi for transactions across mobile financial services (MFSs) and banks is now in place to enable instant money flow through a digital platform vernacularly nicknamed Binimoy.

<https://thefinancialexpress.com.bd/economy/instant-bank-mfs-transaction-swap-rules-announced>

### BANK | State banks nowhere near target to retrieve funds from top defaulters

- Four state-run banks in Bangladesh are finding it difficult to recoup loans from their top 20 defaulters, a failure that has worsened their financial health and squeezed their capacity further to lend. Sonali, Janata, Agrani and Rupali repeatedly hit the loan recovery target set by the central bank as per its memorandum of understanding (MoU) with the four largest banks of the country by branches.

<https://www.thedailystar.net/business/news/state-banks-nowhere-near-target-retrieve-funds-top-defaulters-3653151>

**Govt plans raising BDT 50 Bn with Sukuk to supplement bonds**

- Hefty interest payments on growing debts prompt the government to go for fundraising with Sukuk worth BDT 50 Bn to supplement traditional bonds that are getting costlier by the day for high yields, sources say.

<https://thefinancialexpress.com.bd/economy/govt-plans-raising-tk-50b-with-sukuk-to-supplement-bondsv>

**BANK | ACC seeks BB info on BDT 33 Bn Islami Bank loan**

- The Anti-Corruption Commission (ACC) on Monday requested detailed information from the central bank regarding the alleged BDT 33 Bn loan fraud of Islami Bank in 2022, according to sources. In response to the allegation, the national anti-graft watchdog formed a three-member committee led by Deputy Director Yasir Arafat to investigate the matter.

<https://thefinancialexpress.com.bd/economy/acc-seeks-bb-info-on-tk-33b-islami-bank-loanv>

**Govt reaching out to small pockets to minimise revenue shortfalls**

- The government is reaching out to small pockets as part of its special emphasis on boosting revenue collection from the non-tax sector, aiming to address the shortfall and reduce the pressure of high-cost borrowing, according to finance ministry officials.

<https://www.tbsnews.net/economy/govt-reaching-out-small-pockets-minimise-revenue-shortfalls-894436>

**Low-income people struggle as high inflation eats away income gains**

- According to the latest data from the Bangladesh Bureau of Statistics (BBS), the 12-month average inflation rate in the last fiscal year was 9.73%, which is 1.99% points higher than the average wage growth rate of 7.74%.

<https://thefinancialexpress.com.bd/economy/low-income-people-struggle-as-high-inflation-eats-away-income-gains>

**Business expansion slows in June**

- Bangladesh's Purchasing Managers' Index (PMI) pointed to a slower expansion in business activity in June from a month earlier due to a slower expansion rate in all key sectors of agriculture, manufacturing, construction, and services. The PMI score, which is seen as a good measure of overall economic growth, hit 63.9 last month, down by 6.1 points from March's 70.1.

<https://www.thedailystar.net/business/news/business-expansion-slows-june-3651091>

**IT | Bangladesh scores 62, lower than most Asian peers**

- According to the ICT Development Index of the International Telecommunication Union, the global average score is 74.8. The average score for lower-middle-income countries is 64.8. Bangladesh is classified as a lower-middle-income country in the index.

<https://www.thedailystar.net/business/news/bangladesh-scores-62-lower-most-asian-peers-3651651>

**BANK | Defaulters allowed 3-year exit facility with 10% down payment**

- For the first time, the Bangladesh Bank has introduced an exit policy allowing defaulted borrowers up to three years for loan repayment with a 10% down payment, aimed at maintaining liquidity flow and reducing toxic loans in the banking sector.

<https://www.tbsnews.net/economy/banking/exit-policy-go-debt-free-defaulters-can-repay-loans-within-3yrs-10-down-payment>

**BANK | Cenbank imposes conditions on banks on appointing audit firms for export incentives**

- The central bank has imposed conditions on banks to appoint audit firms for auditing applications for cash incentives or subsidies against the exports of goods.

<https://www.tbsnews.net/economy/banking/cenbank-imposes-conditions-banks-appointing-audit-firms-export-incentives-895046>

**Digital trade: Bangladesh could earn USD 0.6 Bn more in exports**

- According to a UN expert, Bangladesh could earn USD 0.6 Bn more annually, as the electronic bills of lading could unlock USD 30-40 Bn in global trade volume if these processes went digital.

<https://thefinancialexpress.com.bd/economy/bangladesh/digital-trade-bangladesh-could-earn-06b-more-in-exports>

**BANK | Shariah-based banks see loan growth outpace deposits by ninefold in 6 months**

- Shariah-compliant banks saw a more than ninefold increase in loan growth compared to their deposits from November 2023 to April 2024 of the last fiscal year. Officials attributed the decline in deposits to reduced public confidence and inflation.

<https://www.tbsnews.net/economy/banking/shariah-based-banks-see-loan-growth-outpace-deposits-ninefold-6-months-895086>



### **Japan keen on skilled Bangladeshi workers, offers infrastructure loans**

- Japan expressed its interest in supporting Bangladesh's infrastructure projects with loans, including expanding the metro rail network and building new airports, at a recent meeting on development assistance. Additionally, Japan is also looking to recruit skilled workers from Bangladesh.

<https://www.tbsnews.net/economy/japan-keen-skilled-bangladeshi-workers-offers-infrastructure-loans-893911>

### **FY24 inflation soars to 13-year high**

- The country's average inflation exceeded the target for the just-ended fiscal year by a significant margin. In the fiscal 2023-24, inflation rose to 9.73%, surpassing the government's original target of 6% and the revised target of 7.5%, according to data released yesterday by the Bangladesh Bureau of Statistics (BBS).

<https://www.tbsnews.net/economy/inflation-falls-slightly-972-june-893826>

### **Large corporates pay 11.31% higher yet taxmen fail target in FY24**

- The large taxpayers' unit (LTU) under the income-tax wing of the revenue board collected BDT 287.82 Bn in direct taxes last year against BDT 258.58 Bn in FY23, provisional data of the National Board of Revenue (NBR) showed. However, the annual tax collection had lagged the target by BDT 42.18 Bn until June 30, 2024.

<https://thefinancialexpress.com.bd/economy/large-corporates-pay-1131pc-higher-yet-taxmen-fail-target-in-fy24v>

### **RMG | Chinese business delegation discusses collaborative opportunities with BGMEA**

- A delegation representing leading Chinese textile and apparel enterprises visited the Bangladesh Garment Manufacturers and Exporters Association (BGMEA) today (7 July) to explore collaboration opportunities in the textile and apparel sector.

<https://www.tbsnews.net/economy/rmg/chinese-business-delegation-discusses-collaborative-opportunities-bgmea-894256>

### **Some spending suspended amid fund crunch**

- The government has decided to squeeze certain spending under both new operating and development budgets at the very outset of the new financial year, in line with its ongoing belt-tightening measures.

<https://thefinancialexpress.com.bd/economy/some-spending-suspended-amid-fund-crunch>

### **Unlocking China's market: Strategies for Bangladesh to enhance exports**

- A recent study by the Research and Policy Integration for Development (RAPID) revealed that Bangladesh could potentially earn an additional USD 27 Bn by exporting quality and diversified goods to China, provided its market share increases to 1%.

<https://www.tbsnews.net/economy/unlocking-chinas-market-strategies-bangladesh-enhance-exports-893141>

### **Bangladesh pays Russia USD 15 Mn in BDT for Rooppur plant as dollar payment stalled**

- The Bangladesh government has recently paid the equivalent of USD 15 Mn in BDT for the Rooppur Nuclear Power Plant project as the payment in dollars has remained stuck for two and a half years over sanctions on Russia, officials familiar with the matter told TBS yesterday.

<https://www.tbsnews.net/economy/bangladesh-pays-russia-15m-taka-rooppur-plant-dollar-payment-stalled-891351>

### **Foreign loan commitments up 9% in FY24, yet remained below USD 10 Bn**

- Bangladesh secured USD 9.88 Bn in foreign aid commitments from development partners for project funding and budget support in the just-concluded 2023-24 fiscal year, marking an 8.92% increase from the previous fiscal year, according to Economic Relations Division (ERD) data.

<https://www.tbsnews.net/economy/foreign-loan-commitments-9-fy24-yet-remained-below-10b-892861>

### **Large-scale industry throughput marks slow pickup**

- Throughput in large-scale manufacturing industries edges up, with a 6.4% growth measured in March, in signs of a modest pickup in economic activity. Such slow start of a rebound is reflected in the data released by the Bangladesh Bureau of Statistics or BBS recently.

<https://today.thefinancialexpress.com.bd/first-page/large-scale-industry-throughput-marks-slow-pickup-1720285514>

### **RMG | Apparel shipment to the USA declines by 12.31%**

- Bangladesh's garment shipment to the US, the south Asian nation's single largest export destination, declined by 12.31% year-on-year to USD 2.9 Bn in the January-May period because of lower import by the American retailers and brands from all over the world.

<https://www.thedailystar.net/business/news/apparel-shipment-the-usa-declines-1231-3650396>

### **Distorted data leading to flawed policies**

- Major economic data provided by the government is detached from reality, leading to flawed policies, experts said yesterday. They made the comments after the Bangladesh Bank (BB) corrected anomalies in export figures, bringing down the shipment by nearly USD 14 Bn in the July-April period of the just-concluded fiscal year.

<https://www.thedailystar.net/business/news/distorted-data-leading-flawed-policies-3650496>

### **Building hi-tech parks in districts: progress only 14% in 7 years**

- The government initiated the project in April 2017 to construct 12 hi-tech parks in as many districts to create a skilled workforce and job opportunities to tap the potential in the information technology sector at home and abroad. Seven years later, the project has achieved 14.34% physical progress, according to a monitoring report of the Implementation Monitoring and Evaluation Division (IMED).

<https://www.thedailystar.net/business/economy/news/building-hi-tech-parks-districts-progress-only-14-7-years-3650696>

### **BANK | Pvt credit growth reaches 10.35% in May, slightly exceeding BB target**

- Private sector credit growth in May 2024 saw a slight increase, reaching 10.35%, up by 0.45 basis points from the previous month. Bankers attributed this rise to increased import activities driven by Eid-ul-Adha.

<https://www.tbsnews.net/economy/banking/pvt-credit-growth-reaches-1035-may-slightly-excee892131>

### **RMG | Yarn import jumps 13% as local production chokes amid gas crisis**

- Bangladesh's textile and spinning mills are struggling to produce yarn due to a lingering gas crisis which has led to a jump in yarn imports of about 13% as fabric and apparel makers look elsewhere to meet the demand.

<https://www.tbsnews.net/economy/rmg/yarn-import-jumps-13-local-production-chokes-amid-gas-crisis1>

### **RMG | RMG value addition falls to 55.4% in Jul-Mar of FY24; Exporters fear for GSP Plus**

- In light of recent updates in Bangladesh's balance of payment data, which indicate significant changes in valuation, the country's apparel industry now faces an even tougher challenge in securing the Generalized System of Preferences Plus (GSP+) status in the EU market after its graduation from Least Developed Country (LDC) status in 2026.

<https://www.tbsnews.net/economy/rmg/rmg-value-addition-falls-16-percentage-points-exporters-fear-gsp-plus-892156>

## Important News: Capital Market

### ICB | ICB won't invest in junk stocks

- The Investment Corporation of Bangladesh (ICB), one of the largest institutional investors in the country's stock market, has framed a new investment policy for itself to invest in the capital market to counter allegations of investing in weak and junk stocks.

<https://www.tbsnews.net/economy/stocks/icb-wont-invest-junk-stocks-896696>

### DESCO | DESCO to issue shares to govt, with retail investors' interest 'protected'

- Dhaka Electric Supply Company (DESCO) to issue preference shares to the government against share money deposits. The preference shares will not be incorporated into the paid-up capital, but these shares will get priority over common stocks during the sharing of profits.

<https://today.thefinancialexpress.com.bd/stock-corporate/desco-to-issue-shares-to-govt-with-retail-636>

### BXPHARMA | Beximco Pharma secures EUR 24.9 Mn for business expansion

- Beximco Pharmaceuticals Limited has secured a EUR 24.9 Mn loan, which is equivalent to over BDT 3 Bn, from the German bank ODDO BHF SE to expand its production capacity, aiming to increase its footprint in both local and export markets.

<https://www.tbsnews.net/economy/stocks/beximco-pharma-secures-eu249m-business-expansion-866>

### SUNLIFEINS | Overspending limits life insurer's capacity to settle claims

- Sun Life Insurance Company spent an additional management cost worth BDT 570 Mn over five years to 2023, limiting its capacity to settle claims by the clients, the insurance regulator has found.

<https://thefinancialexpress.com.bd/economy/overspending-limits-life-insurers-capacity-to-settle-claims>

### EXCHANGE | Country's first ETF struggles to get private subscription

- Because of a tepid response from private investors, the securities regulator has extended the deadline for the mandatory BDT 500 Mn private subscription in the country's first Exchange Traded Fund (ETF), LB Multi Asset Income ETF, until 3 September.

<https://www.tbsnews.net/economy/stocks/countrys-first-etf-struggles-get-private-subscription-895851>

### EXCHANGE | Delisted firms must maintain 35% free-float shares for relisting

- The Bangladesh Securities and Exchange Commission (BSEC) has mandated that over-the-counter (OTC) firms must maintain at least 35% of their shares as free-float in the market through a qualified investors offer (QIO).

<https://www.tbsnews.net/economy/stocks/delisted-firms-must-maintain-35-free-float-shares-relisting-041>

### EXCHANGE | Outflow of overseas funds continues as asset value erodes

- Foreign stakes in leading companies have continued falling as overseas investors have dumped their holdings since the removal of the floor price in January mainly due to the sharp devaluation of the local currency against the dollar.

<https://today.thefinancialexpress.com.bd/stock-corporate/outflow-of-overseas-funds-continues-as-asset-value-erodes-1720462031>

### SONALIANS | Two directors of Sonali Aansh sell 1.07 Mn shares worth BDT 320 Mn

- The two directors of Sonali Aansh Industries Limited, a listed firm that manufactures jute products, have sold 1.07 Mn of their shares in the company worth BDT 323.7 Mn. The market price per share was BDT 302.

<https://www.tbsnews.net/economy/stocks/two-directors-sonali-aansh-sell-1072-lakh-shares-worth-251>

### HFL | Hamid Fabrics 'halts production' due to gas crisis, capital shortage:

#### BTMA

- A steep gas crisis and working capital shortage have pushed Hamid Fabrics to halt its production recently, according to industry insiders. Mohammad Ali Khokon, president of the Bangladesh Textile Mills Association, while speaking at a press conference on Saturday, said textile millers are facing challenges as a severe gas crisis has pushed them to run their factories at low capacity.

<https://www.tbsnews.net/economy/stocks/hamid-fabrics-halts-production-due-gas-crisis-capital-shortage-btma-894246>

### YPL | Yeakin Polymer to transfer shares to new owners

- The sponsors and directors of Yeakin Polymer are set to transfer the ownership of the company to new stakeholders after receiving approval from the Bangladesh Securities and Exchange Commission (BSEC).

<https://www.tbsnews.net/economy/stocks/yeakin-polymer-transfer-shares-new-owners-892176>

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**EXCHANGE | BSEC fines 75 individuals, institutions BDT 260 Mn in FY24 for violating laws, manipulating shares**

- The Bangladesh Securities and Exchange Commission (BSEC), the country's stock market regulator, fined 75 individual investors and institutions (listed companies and intermediaries) in the immediate past fiscal year 2023-24 on charges of violating securities laws and manipulating shares.

<https://www.tbsnews.net/economy/stocks/stock-regulator-fines-75-individuals-institutions-tk26cr-fy24-894231>

**EXCHANGE | BSEC suspends trades by another RACE-managed fund**

- The BSEC unveiled an alternative fund -- Bangladesh Fixed Income Investment Special Purpose Vehicle (BFISPV) or Bangladesh Fixed Income Special Purpose Vehicle or Project BFISPV - under the management of RACE and said transactions of assets belonging to the fund "shall remain suspended from any stockbroker until further instruction of the Commission.

<https://thefinancialexpress.com.bd/stock/bsec-suspends-trades-by-another-race-managed-fund>

**EXCHANGE | BSEC launches IT audit of stock exchanges**

- The Bangladesh Securities and Exchange Commission (BSEC) has initiated an audit of the IT operations of the Dhaka and Chittagong stock exchanges to assess their strengths, weaknesses, and potential threats. This audit aims to ensure effective services in the operation and trading of securities.

<https://www.tbsnews.net/economy/stocks/bsec-launches-it-audit-stock-exchanges-893461>



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