

Bangladesh market snapshot

	Last closing
DSEX Index	4,711.31
% change	-1.06%
DS30 Index	1,669.89
% change	-1.14%
DSES Index	1,081.80
% change	-1.62%
Turnover (BDT mn)	2,998.98
Turnover (USD mn)	35.70
% change	0.57%
Market Capitalization (BDT bn)	3,558
Market Capitalization (USD bn)	42.36
% change	-1.09%

Source: Dhaka Stock Exchange

International market snapshot

	Last closing
Dow Jones Industrial Average	26,816.59
% change	1.21%
Nikkei 225	21,798.87
% change	1.15%
FTSE 100	7,202.37
% change	-0.62%

Source: Bloomberg

Exchange rate

Currency	BDT
USD	84.74
EUR	93.48
GBP	106.89
INR	1.19

Source: Bangladesh Bank

Money Market

Date	Call Money Rate Range (%)	Weighted Average (%)
13-Oct-2019	2.90-5.50	4.38
10-Oct-2019	2.00-5.50	4.57

Source: Bangladesh Bank

Commodities

	Price	% Change
Brent Crude (Oil), USD/bbl	58.90	-0.76%
Gold Spot, USD/t oz	1,494.67	+0.10%
Cotton, USD/lb	62.69	+0.76%

Source: Bloomberg

Economy

Mega project: Govt sets ambitious foreign loan target

The government wants to take the release of foreign loans in the current fiscal year to a new height by expediting implementation of on-going mega projects. The growth target for external loan disbursement has been set at 26.74 percent in the current fiscal year. The Economic Relations Division (ERD) hopes that another \$2.26 billion in foreign loan will be released in this fiscal, up from \$6.21 billion last year. ERD officials said the government has signed loan agreements with development partners in the last few years for a number of mega projects, including Rooppur nuclear power plant, Matarbari power plant construction, metro rail, Padma bridge rail link, and setting up rail line from Dohazari to Gundum via Cox's Bazar.

<https://www.tbsnews.net/economy/mega-project-govt-sets-ambitious-foreign-loan-target>

ECNEC may approve two more metro rail projects today

The government is likely to approve today the country's third and fourth largest projects taken up for building two mass rapid transit lines in Dhaka at a combined cost of Tk 931.61 billion, officials said on Monday. The Dhaka Mass Transit Company Limited (DMTCL) will build the proposed underground metro rails--31-kilometre MRT line-1 from Airport to Kamalapur and 20-km MRT line-5 (northern route) from Hamayetpur to Vatara of Dhaka city. The Executive Committee of the National Economic Council (ECNEC) is likely to approve the MRT-1 project at a cost of Tk 519 billion and the MRT-5 (northern route) project at Tk 412.61 billion today (Tuesday).

<http://today.thefinancialexpress.com.bd/first-page/ecnec-may-approve-two-more-metro-rail-projects-today-1571076323>

Remittance from US dips over immigration policy uncertainty

Bangladesh's remittance earning from the United States of America showed a downtrend in the 2018-2019 financial year due mainly to an uncertainty over the current immigration policy in the USA, according to analysts. "There is an uncertainty over the ensuing immigration policy in the US," said Zahid Hussain, former lead economist of the World Bank's Dhaka office. He said Bangladeshi expatriates in the US are now living in a state of anxiety, which will continue until the next presidential election due in 2020. The US is the third highest remittance-sending country for Bangladesh, but the inflow dropped 7.76 percent year-on-year to \$1.84 billion in the last fiscal year, according to Bangladesh Bank statistics.

<https://www.tbsnews.net/economy/remittance-us-dips-over-immigration-policy-uncertainty>

Banking

Bangladesh Bank rejects plea for special rescheduling facility for written-off loans

The Bangladesh Bank has turned down the banks' proposal for providing special rescheduling facility against written-off loans. The

central bank last week issued letters to the banks, informing them that there was no scope for giving such facility introduced for defaulted loans against written-off loans, BB officials said. The written-off loans are the defaulted loans that banks erase from their balance sheets after a certain period of time subject to 100 per cent provision against such loans. The banks had raised the issue of giving special rescheduling facility for written-off loans at several meetings with the central bank, prompting the BB to issue the letters, BB officials said. Senior bank officials said that the proposal was placed before the BB as the facility would help them recover written-off loans.

<http://www.newagebd.net/article/87681/bangladesh-bank-rejects-plea-for-special-rescheduling-facility-for-written-off-loans>

Bangladesh Bank loans City Bank Tk 50cr for stock investment

The Bangladesh Bank on Monday released Tk 50 crore in loan in favour of The City Bank for investing in the capital market in line with the central bank's move to support ailing stock market. On September 22 this year, the BB created the scope for the scheduled banks for borrowing from the central bank in the form of Repurchase Agreement (REPO) at the rate of 6 per cent interest for investments in the capital market. BB officials said that the central bank released Tk 50 crore to The City Bank after the bank had applied for the loan. Several other banks are preparing for taking the funds from the central bank. The BB is giving the facility to increase fund flow to the stock market which has been suffering from shortage of liquidity. The core index of Dhaka Stock Exchange witnessed 1,200-points drop amid breathless fall in last nine months that made the government worried over the market situation.

<http://www.newagebd.net/article/87677/bangladesh-bank-loans-city-bank-tk-50cr-for-stock-investment>

Telecommunication

GP, Banglalink lose in MNP battle

Banglalink has lost the highest number of subscribers to other operators in the last one year as the users changed the carrier using the mobile number portability service. The MNP service, which was rolled out in October last year, allows users to retain their original mobile phone number while opting out of an operator in order to join a new network. Banglalink, the third-largest operator, lost 2.89 lakh subscribers and gained 68,528 users from its three contenders, according to a report of Bangladesh Telecommunication Regulatory Commission published yesterday. Grameenphone, the market leader, lost 2.74 lakh customers and pulled 1.22 lakh users.

<https://www.thedailystar.net/business/telecom/news/gp-banglalink-lose-mnp-battle-1813840>

Capital Market

Panic sales keep hammering Dhaka stocks

Dhaka stocks plunged on Monday, stretching the losing streak to the

sixth day as panic-stricken investors continued selling shares to avoid pitfalls. The DSEX, the key index of the Dhaka Stock Exchange, lost 1.06 per cent, or 50.67 points, to end at 4,711.30 points on Monday. The market started falling from the very beginning on Monday and descended more firmly as the time progressed and finished deep into the negative trajectory as investors continued panic selling, market operators said. The DSE key index shed 226.57 points in last six sessions and 1,238 points since January 24 this year. In the period, Tk 64,000 crore was wiped off the DSE market capitalisation. Monday's figure was the lowest after November 17, 2016 when the index was at 4,698.54 points.

<http://www.newagebd.net/article/87674/panic-sales-keep-hammering-dhaka-stocks>

ICB to inject Tk 1,000cr into market

The Investment Corporation of Bangladesh (ICB) will support the stock market by buying as much shares as possible from the secondary market on the back of Tk 1,000 crore it is raising, said its managing director yesterday. Md Abul Hossain said the state-run investment enterprise has received Tk 200 crore from Sonali Bank by issuing bonds and would get another Tk 800 crore from four other public banks very soon. He said the stock market was now big and the ICB did not have adequate funds, factors which made it impossible for the enterprise to provide the support alone. So, if another four or five enterprises like the ICB can be formed and 20 to 25 market makers designed, the market will get enough support, he added.

<https://www.thedailystar.net/business/news/icb-inject-tk-1000cr-market-1813804>

Stock

PLFS depositors seek repayment by Dec

Clients of People's Leasing and Financial Services (PLFS) Limited, which is facing a forced liquidation, on Monday demanded repayment of money that they kept with PLFS by December this year. They placed the demand at a meeting with Bangladesh Bank governor Fazle Kabir at the BB headquarters in Dhaka on the day. BB banking reform adviser SK Sur Chowdhury, executive director Md Shah Alam and deputy general manager and PLFS liquidator Md Asaduzzaman Khan were present at the meeting. A five-member team on behalf of the PLFS depositors attended the meeting.

<http://www.newagebd.net/article/87684/plfs-depositors-seek-repayment-by-dec>

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Expected absolute returns are calculated as the percentage of difference between our target price and latest close price. Stock recommendations are based on absolute upside (downside) and have a 12-month horizon. Please note that future price fluctuations could lead to a temporary mismatch between upside/downside for a stock and our recommendation.

Recommendation Type	Holding period (if not otherwise mentioned)	Absolute Return Potential
Buy	12 Months	More than +15%
Neutral/ Hold	12 Months	Between +15 % and -5 %
Underweight	12 Months	Less than -5 %

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