

Bangladesh market snapshot

	Last closing
DSEX Index	4,918.38
% change	0.44%
DS30 Index	1,698.98
% change	-0.06%
DSES Index	1,112.22
% change	0.12%
Turnover (BDT mn)	8,923.49
Turnover (USD mn)	106.23
% change	13.62%
Market Capitalization (BDT bn)	3,956
Market Capitalization (USD bn)	47.10
% change	0.14%

Source: Dhaka Stock Exchange

International market snapshot

	Last closing
Dow Jones Industrial Average	26,925.05
% change	+1.60%
Nikkei 225	23,295.48
% change	+1.39%
FTSE 100	5,654.97
% change	+1.39%

Source: Bloomberg

Exchange rate

Currency	BDT
USD	84.80
EUR	98.80
GBP	109.77
INR	1.14

Source: Bangladesh Bank

Money market

Date	Call Money Rate Range (%)	Weighted Average (%)
01-Nov-2020	1.00-5.25	2.57
29-Oct-2020	1.00-5.25	2.52

Source: Bangladesh Bank

Commodities

	Price	% Change
Brent Crude (Oil), USD/bbl	38.90	-0.18%
Gold Spot, USD/t oz	1,892.79	-0.14%
Cotton, USD/lb	68.90	+0.25%

Source: Bloomberg

Economy

Current account posts \$3.53b surplus amid downturn

The country's current account balance posted a surplus of \$3.53 billion in the first quarter of the fiscal year on the back of a sharp decline in the trade deficit. This contrasts to a deficit of \$715 million in the same quarter a year ago. The first quarter's current account balance is the highest in the same quarter in the last six years. The current account surplus is a reflection of lower domestic consumption, production and investment and an indication of weak economic growth as a whole.

<https://www.thedailystar.net/business/news/current-account-posts-353b-surplus-amid-downturn-1988457>

Bangladesh sees 5.24% growth in FY 20

Bangladesh has recorded 5.24 percent growth in 2020 FY amid global coronavirus pandemic, which is higher than many countries of Asia and even many developed countries in the world. Besides, per capita income of this FY also has reached \$2,064 from previous \$1,909. The country has seen record remittance inflows in the current fiscal year, which is 10.87 percent higher than the previous year.

<https://tbsnews.net/bangladesh/bangladesh-sees-524-growth-fy-20-152773>

Oct export data trigger worries

The country's merchandise shipments again entered the negative territory in October last, threatening the process of recovery noticed during the past three months. The single month income in October 2020 fell by 4.08 per cent to \$2.94 billion, which was \$3.07 billion in October 2019. The earnings also missed the target by 6.03 per cent set for the month. The overall export earnings stood at \$12.84 billion marking a meagre 0.97 per cent growth during the July-October period of the current fiscal year of 2020-21 over that of the same period last fiscal. Bangladesh fetched \$12.72 billion during the same period of FY 2019-20.

<https://today.thefinancialexpress.com.bd/first-page/oct-export-data-trigger-worries-1604340456>

<https://www.thedailystar.net/business/news/exports-drop-faltering-recovery-apparel-1988477>

NBR to develop e-tax return filing system with own resources

The National Board of Revenue (NBR) has decided to develop an online tax return filing system with its own resources so that taxpayers can file their annual income statements easily. The move comes after the NBR placed its e-filing system- the Bangladesh Integrated Tax Administration System (Bitax)- for a technical audit amid allegations that the system was not user-friendly and failed to attain the desired goals.

<https://www.thedailystar.net/business/news/nbr-develop-e-tax-return-filing-system-own-resources-1988461>

Capital Market**Best Electronics to go public for Tk100cr**

Best Electronics Ltd, one of the fast-growing electronics retailers of the country, wants to raise Tk100 crore on the stock market to expand its business. The company will issue an initial public offering (IPO) using the book-building method. With the IPO proceeds, the company will modernise all four units of its two factories in Gazipur and Chuadanga. Last year the company's annual revenue was around Tk250 crore, with paid-up capital of Tk45 crore.

<https://tbsnews.net/economy/stock/best-electronics-go-public-tk100cr-152998>

Stock**City Bank's profit jumps 18% in 9 months**

City Bank's net profits surged 17.7% year-on-year to nearly Tk308.6 crore in the first nine months (January to September) of 2020 as the bank deftly navigated the pandemic storm. Consolidated earnings per share (EPS) of the bank were recorded at Tk3 for the same period against Tk2.6 during the same period last year. Consolidated the net asset value (NAV) per share was Tk26.9 as on September 30 and Tk24.1as on December 31, 2019.

<https://www.dhakatribune.com/business/stock/2020/11/02/city-bank-s-profit-jumps-18-in-9-months>

Hygiene obsession propels Reckitt Benckiser's profit in Q3

Reckitt Benckiser, the maker of Dettol and Lysol disinfectants, saw its profit leap 10.6% to Tk15.4 crore in the third quarter, as enthusiasm for hygiene products is showing no sign of dimming. This takes the British hygiene, health and nutrition product manufacturer's profit in the nine months of 2020 to Tk43.2 crore, up 34.6% year-on-year. Reckitt Benckiser- whose products in Bangladesh include Finish, Lysol, Veet, Dettol, Air Wick, Durex, Mortein, Strepsils, Vanish, Trix, Mr Brasso, DermiCool and Harpic- saw its sales soar about 23% year-on-year to Tk145 crore between July and September.

<https://www.dhakatribune.com/business/stock/2020/11/02/hygiene-obsession-propels-reckitt-benckiser-s-profit-in-q3>

PGCB revision involves 85pc additional costs

After spending extra funds, the Power Grid Company of Bangladesh (PGCB) has sought the revision of a project, which is intended to install a 400KV high-voltage grid line. The PGCB has now sought a total of Tk 25.05 billion funds, 85 per cent higher than its original estimation of Tk 13.56 billion, seeking revision of the ongoing Aminbazar-Mawa-Mongla power transmission line installation project. The company has also sought six months more from its extended execution deadline of June 2021.

<https://today.thefinancialexpress.com.bd/first-page/pgcb-revision-involves-85pc-additional-costs-1604340506>

<https://www.thedailystar.net/business/news/govt-seeks-85pc-rise-power-transmission-project-cost-1988465>

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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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