

Bangladesh market snapshot

	Last closing
DSEX Index	4,712.09
% change	0.62%
DS30 Index	1,638.36
% change	0.65%
DSES Index	1,083.18
% change	0.72%
Turnover (BDT mn)	3,259.78
Turnover (USD mn)	38.81
% change	-19.60%
Market Capitalization (BDT bn)	3,571
Market Capitalization (USD bn)	42.51
% change	0.32%

Source: Dhaka Stock Exchange

International market snapshot

	Last closing
Dow Jones Industrial Average	27,347.36
% change	+1.11%
Nikkei 225	22,850.77
% change	-0.33%
FTSE 100	7,302.42
% change	+0.75%

Source: Bloomberg

Exchange rate

Currency	BDT
USD	84.75
EUR	94.67
GBP	109.66
INR	1.20

Source: Bangladesh Bank

Money Market

Date	Call Money Rate Range	Weighted Average (%)
31-Oct-2019	2.25-5.50	3.61
30-Oct-2019	2.25-5.50	3.81

Source: Bangladesh Bank

Commodities

	Price	% Change
Brent Crude (Oil), USD/bbl	61.36	-0.53%
Gold Spot, USD/t oz	1,512.25	-0.14%
Cotton, USD/lb	64.72	+0.76%

Source: Bloomberg

Economy

HC clears BB's spl facility for defaulters

The High Court on Sunday cleared the Bangladesh Bank (BB) circular offering special facility for the defaulting borrowers and ordered the issuance of a circular extending its time for another 90 days to facilitate submission of fresh applications. While disposing of the rule issued on a writ, the HC also asked the BB to constitute a nine-member committee comprising banking experts to find out the loopholes in loan sanctioning process. The court, however, said the defaulters availing the special facility will have to follow the master circular of the central bank issued in 2012 in the case of other loans. According to the circular, defaulters must pay at least 15 per cent of the "outstanding balance" to avail the rescheduling facility and fresh credit facility from banks.

<http://today.thefinancialexpress.com.bd/public/first-page/hc-clears-bbs-spl-facility-for-defaulters-1572802453>

Remittance inflow rises by 32% in October

Two percent incentive has increased the remittance inflow in October of the current fiscal year by 32.32 percent compared to the same month of previous fiscal year. Bangladeshi expatriates sent \$1,639.62 million remittance to the banking channel last October - second-highest monthly remittance in the country's history - according to Bangladesh Bank data released on Sunday. Remittance in last May was \$1,748.16 million - the highest monthly remittance ever. The remittance inflow during July-October stood at \$6,150.48 million in this fiscal year which was \$5,108 million during the same period of last fiscal year. Rising value of the dollar against taka is encouraging the non-resident Bangladeshis to send money home through the banking channel, the Bangladesh Bank officials told The Business Standard.

<https://tbsnews.net/economy/remittance-inflow-rises-32-october>

Default loans have surpassed cost of megaprojects many times over: CPD

The default loans in the banking sector have surpassed the cost of multiple megaprojects. By recovering the total non-performing loans in the banking sector - which, according to Bangladesh Bank data stood at Tk112,425 cro res as of June this year - three Padma bridges can be constructed. The total cost of building the Padma Multipurpose Bridge is Tk30,193 crores. However, the Centre for Policy Dialogue (CPD) assesses that the true amount of non-performing loans (NPLs) could actually be more than double the reported amount, if written-off bad debts are taken into account.

<https://tbsnews.net/economy/default-loans-have-surpassed-cost-megaprojects-many-times-over-cpd>

Oppo opens local plant

Chinese handset maker Oppo is all set to launch its "Made in Bangladesh" smartphones in the local market this month as its mobile

assembly plant goes into commercial production. This will allow local consumers to buy Oppo devices at reasonable prices and strengthen the Chinese company's foothold in the fast-growing market. Initially, Oppo plans to assemble its two mid-range sets -- Oppo A5 and Oppo A1K -- in the plant in Gazipur and the sets will be available this November. The company has targeted to assemble one million devices per annum. Oppo is the third Chinese company to have set up mobile manufacturing plant in Bangladesh, following in footsteps of Transsion and Vivo.

<https://www.thedailystar.net/business/news/oppo-opens-local-plant-1822858>

Capital Market

Capital market suffering from governance crisis – not shortage in money supply: CPD

The country's capital market is mainly suffering from a lack of governance – not a shortage in the supply of money, said the Centre for Policy Dialogue (CPD). The independent think-tank made the observation while presenting a report – "State of the Bangladesh Economy in FY2019-20" – at a press briefing at the CIRDAP auditorium in Dhaka on Sunday. At the briefing, CPD Research Director Dr Khondaker Golam Moazzem said, "The majority of the stakeholders have a tendency to label the crisis in the capital market from a 'liquidity shortfall' point of view." "The government has tried to address the challenges here through a number of fiscal and budgetary measures. But the situation has proven that the market did not respond to such measures, like injection of capital, undertaken since January 2019," he added.

<https://tbsnews.net/economy/capital-market-suffering-governance-crisis-not-shortage-money-supply-cpd>

Stocks

Crown Cement signs deal with China Construction

Crown Cement Group signed an agreement with China Construction Seventh Engineering Division Corporation Limited at a city hotel recently, said a statement. Under the deal, Crown Cement Group will supply cement to SASEC Road Connectivity Project-II (WP-10). SASEC or South Asia Sub-regional Economic Cooperation Road Connectivity Project-II is an initiative to upgrade around 190km of road from Elenga to Rangpur to a four-lane highway via Hatikumrul for improving road communication between the capital and 16 northern districts.

<http://today.thefinancialexpress.com.bd/public/stock-corporate/crown-cement-signs-deal-with-china-construction-1572801654>

GPH to market automated clean steel

GPH Ispat is going to market automated clean steel made of latest Quantum Electric Arc Furnace technology shortly. GPH Group Chairman Mohammad Jahangir Alam disclosed this at a seminar titled 'Conference on team building and knowledge sharing' last evening at Bhatiyari Golf and Country Club. The seminar was organised by GPH Ispat.

<http://today.thefinancialexpress.com.bd/public/stock-corporate/gph-to-market-automated-clean-steel-1572801572>

Foreigners net sellers for record eighth consecutive month

Foreign investors are selling more securities than they are buying at the Dhaka Stock Exchange (DSE). The trend continued for the record eighth consecutive month till October 31, 2019. Prior to the 2010 crash, their longest selling record consisted of six months in a row. Analysts blamed regulatory unpredictability and the depreciating value of local currency for the ongoing selloff. According to the DSE, foreign portfolio investors bought securities worth Tk231.99 crore in October while their selling was Tk 328.92 crore. Trading securities worth Tk560.92 crore over the month, foreigners closed their position at Tk96.92 crore. In September, foreigners' net sale came down to Tk60.35 crore from Tk102.53 crore in the previous month.

<https://tbsnews.net/economy/stock/foreigners-net-sellers-record-eighth-consecutive-month>

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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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