

Bangladesh market snapshot

	Last closing
DSEX Index	4,678.36
% change	-0.72%
DS30 Index	1,626.61
% change	-0.72%
DSES Index	1,074.55
% change	-0.80%
Turnover (BDT mn)	2,690.36
Turnover (USD mn)	32.03
% change	-17.47%
Market Capitalization (BDT bn)	3,548
Market Capitalization (USD bn)	42.24
% change	-0.64%

Source: Dhaka Stock Exchange

International market snapshot

	Last closing
Dow Jones Industrial Average	27,462.11
% change	+0.42%
Nikkei 225	23,193.66
% change	+1.50%
FTSE 100	7,369.69
% change	+0.92%

Source: Bloomberg

Exchange rate

Currency	BDT
USD	85.01
EUR	94.54
GBP	109.50
INR	1.20

Source: Bangladesh Bank

Money Market

Date	Call Money Rate Range (%)	Weighted Average (%)
03-Nov-2019	2.00-5.50	3.54
31-Oct-2019	2.25-5.50	3.61

Source: Bangladesh Bank

Commodities

	Price	% Change
Brent Crude (Oil), USD/bbl	62.12	-0.02%
Gold Spot, USD/t oz	1,505.50	-0.29%
Cotton, USD/lb	63.80	+0.22%

Source: Bloomberg

Economy

Inflation falls for decline in rice prices: BBS report

Although prices of almost all essential commodities in kitchen markets are going through a rising trend, Bangladesh Bureau of Statistics (BBS) has said inflation has dropped on the back of a fall in rice prices alone. In its latest report, the government agency said inflation eased in October to stand at 5.47 percent, a drop of 0.07 percentage points from the rate in September. In the last one year, prices of onion, garlic and other spices increased two to three folds, according to the Trading Corporation of Bangladesh (TCB). Consumers also faced a substantial hike in the price of pulses, chicken, beef, powder milk and some other commodities.

<https://tbsnews.net/economy/inflation-falls-decline-rice-prices-bbs-report>

Remittance inflow crosses US\$6.0b in July-October

The inflow of remittances crossed US\$6.0 billion in the first four months of the current fiscal year (FY) as the government started providing incentive to the beneficiaries against inward remittance. Depreciating mode of the local currency against the US dollar has also pushed up the flow of inward remittances in the recent months. The flow of inward remittances rose by more than 20 per cent to US\$6.15 billion during the July-October period of FY 2019-20 from \$5.11 billion in the same period of the previous fiscal.

<https://today.thefinancialexpress.com.bd/last-page/remittance-inflow-crosses-us60b-in-july-october-1572890084>

Korean cos to invest \$ 500m in EZ

South Korean businesses have expressed the interest to establish an industrial park in Bangladesh's Economic Zone (EZ) to set up factories for manufacturing apparel, leather products and ornaments. A developer company of the East Asian country, Korea Industrial Complex Company Limited (KIC), has requested Bangladesh Economic Zones Authority (BEZA) to initially allocate 400 acres of land in an EZ. Around 100 South Korean companies will set up factories in the proposed industrial park, which will likely to fetch an investment of US\$ 500 million.

<https://today.thefinancialexpress.com.bd/trade-market/korean-cos-to-invest-500m-in-ez-1572888926>

Tk 11.37b project on cards to develop infrastructure

The ministry of shipping (MoS) will spend Tk 11.37 billion to develop infrastructure at Daulatdia and Paturia ferry ghats for facilitating movement of passenger and other water vessels. The project works include protection of river banks and development of roads and eight new berthing stations in the ferry ghats.

<https://today.thefinancialexpress.com.bd/trade-market/tk-1137b-project-on-cards-to-develop-infrastructure-1572888961>

VAT collection devices for shops from Dec

The National Board of Revenue (NBR) has decided to start installation of Electronic Fiscal Devices (EFDs) from next month (December) to ensure proper VAT collection from business outlets. In the first phase, the NBR's VAT Wing will install EFDs in the city's posh shopping malls, such as - Bashundhara City and Jamuna Future Park. Shops in Old Dhaka will be covered in the next phase. A tender has already been invited for supplying 0.1 million EFDs at a total cost of Tk 3.17 billion. Price and installation charge of each device will cost around Tk 22,000.

<https://today.thefinancialexpress.com.bd/first-page/vat-collection-devices-for-shops-from-dec-1572889933>

Onion prices up again despite govt's watch

Despite the government's vigilance and assurance of ample import, prices of onion increased again on Monday after a slight decline in last two days. Onions of local varieties were traded at Tk 135-145 a kg, while those of imported varieties at Tk 125-130 a kg at retail markets across the capital on the day, showing Tk 10 a kg hike in a day. The markets are now flooded mostly with Burmese onions, and supply of local onions is declining. Importers are yet to find any channel to import onion using Chennai-Chhittaogram sea route.

<https://today.thefinancialexpress.com.bd/first-page/onion-prices-up-again-despite-govts-watch-1572890003>

Fuel and Power

Retail power price hike likely

The retail level electricity distributors have sought a fresh hike in electricity price for almost all types of consumers from January 2020. State-run electricity distribution companies submitted the tariff hike proposals to the energy regulator a week after similar proposal to raise the bulk electricity price by the Bangladesh Power Development Board. The Bangladesh Energy Regulatory Commission has accepted the proposals after initial scrutiny and arranged a four-day public hearing, which will start from November 28.

<https://today.thefinancialexpress.com.bd/first-page/retail-power-price-hike-likely-1572889811>

Telecommunication

Mobile operators add 13 lakh new users in Q3

The number of mobile phone users in the country increased by 13 lakh in July-September of the current year amid volatility in the telecom sector over the government's audit claim from two leading operators. According to Bangladesh Telecommunication Regulatory Commission data, the number of active mobile phone users rose to 16.34 crore in September from 16.21 crore in July. The operators added 22 lakh new subscribers in the opening quarter of the year and 12 lakh in the second quarter. Leading mobile phone company Grameenphone added 3 lakh new users in the third quarter of the year, taking its total number of users to 7.57 crore. The ongoing dispute over BTRC claim of Tk 13,446 crore from GP and Robi slowed down the growth of subscribers.

<https://www.dhakatribune.com/business/2019/11/04/mobile-operators-add-13-lakh-new-users-in-q3>

Tannery

Arrears worsen leather sector's woes

The crisis in the leather and leather goods industry has deepened further as the tanners are yet to pay Tk 350 crore in arrears fully to the rawhide merchants. The tanners have paid the highest 15 percent of the arrears to the rawhide merchants so far. The merchants could not buy the rawhides, as the tanners did not clear all the dues before Eid. As a result, seasonal traders and farmers did not find buyers and had to throw away 35 percent of more than 1 crore pieces of rawhides collected during the last Eid-ul-Azha.

<https://www.thedailystar.net/business/news/arrears-worsen-leather-sectors-woes-1823380>

Stocks

Brac Bank's net profit drops

Despite registering a rosy picture in different areas, including deposit and revenue, Brac Bank experienced four percent year-on-year profit decline in the third quarter of the current year. The loss from capital market investment accounted for the fall in the profit. The bank incurred a loss of Tk45 crore in three months from July to September from capital market investment compared to its gains of Tk18 crore in the same period last year. However, it performed well in deposit growth and business expansion.

<https://tbsnews.net/economy/brac-banks-net-profit-drops>

Govt to help PLFS depositors: Kamal

The aggrieved depositors of the recently liquidated People's Leasing and Financial Services will get support from the government in some form, said Finance Minister AHM Mustafa Kamal yesterday. The central bank has handed over the responsibility to an audit firm to assess both assets and liabilities of the NBFIL. The government will take the required measures after getting the audit firm's assessment report. The aggrieved depositors, led by Md Atikur Rahman Atik, also submitted a memorandum to the finance minister, requesting him to take prompt measures to get back their stuck fund.

<https://www.thedailystar.net/business/news/govt-help-plfs-depositors-kamal-1823371>

Atlas on losing streak

Atlas Bangladesh Ltd is now down at the bottom of the industry list from its previous position as the second largest player, despite the near threefold growth of the local two-wheeler industry. On Monday, the listed company posted an annual loss for the fourth consecutive year, despite a moderate profit in the fourth quarter which merely served to reduce the loss incurred over the previous nine months. The year 2013 marked the beginning of Atlas's troubles, as its Indian partner Hero Honda triggered the much awaited split of their joint venture. Both the Indian brand Hero

and the Japanese brand Honda began running their separate plants and marketing channels in Bangladesh. Honda began a joint venture with the government, while Hero joined hands with local automobile house Nitol- Niloy.

<https://tbsnews.net/economy/atlas-bangladesh-shows-signs-recovery-during-fourth-year-losses>

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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 %
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