

Bangladesh market snapshot

	Last closing
DSEX Index	4,702.98
% change	0.12%
DS30 Index	1,617.63
% change	0.02%
DSES Index	1,061.41
% change	0.07%
Turnover (BDT mn)	4,620.61
Turnover (USD mn)	55.01
% change	12.05%
Market Capitalization (BDT bn)	3,537
Market Capitalization (USD bn)	42.11
% change	-0.02%

Source: Dhaka Stock Exchange

International market snapshot

	Last closing
Dow Jones Industrial	27,649.78
Average % change	0.53%
Nikkei 225	23,261.12
% change	0.54%
FTSE 100	7,188.50
% change	0.42%

Source: Bloomberg

Exchange rate

Currency	BDT
USD	84.90
EUR	94.11
GBP	110.34
INR	1.18

Source: Bangladesh Bank

Money market

Date	Call Money Rate Range	Weighted Average (%)
03-Dec-2019	3.00-5.50	4.49
02-Dec-2019	3.00-5.50	4.47

Source: Bangladesh Bank

Commodities

	Price	% Change
Brent Crude (Oil), USD/bbl	62.93	-0.11%
Gold Spot, USD/t oz	1,475.89	0.09%
Cotton, USD/lb	64.73	0.05%

Source: Bloomberg

Economy

Sluggish revenue to worsen credit crunch

Revenue shortfall widened further as sluggish tax collection persisted in the July-October period, stoking concerns of a credit crunch amid a surge in government borrowing from the financial sector and an economic slowdown. The tax authority logged 4.33 percent year-on-year higher revenue to Tk 65,096 crore from July to October this fiscal year, preliminary data from the National Board of Revenue showed.

<https://www.thedailystar.net/business/news/sluggish-revenue-worsen-credit-crunch-1835941>

BDT 250cr RMG investment plan stuck in limbo

International Classic Composite Ltd (ICCL) has been facing troubles to invest Tk 250 crore, as the Dhaka's development authority is not allowing the Bangladesh-Netherlands joint venture knitwear company to use its own land for factory expansion. The company has an export-oriented factory occupying half of the area of its 12-bigha land at Naojur in Gazipur.

<https://www.thedailystar.net/business/news/tk-250cr-rmg-investment-plan-stuck-limbo-1835923>

Bank

Fund diversion fuelled non-performing loans

Diversion of funds by borrowers is the major reason for the higher non-performing loans in Bangladesh, according to Anis A Khan, a career banker who retired a few days ago after serving the industry for nearly four decades. To him, the NPL is the scourge of the banking system and a war should be waged against the curse. Too many banks and their weak fundamentals are another major concern, which, he thinks, should be addressed through merger and consolidation.

<https://www.thedailystar.net/business/news/fund-diversion-fuelled-non-performing-loans-1835845>

Nagad keen on MFS interoperability without taking BB's licence

Mobile financial service operator Nagad wants to be connected with the interoperability service, expected to be launched by the Bangladesh Bank in January, without taking a licence from the central bank. On different occasions, the entity has expressed interest to be part of the service but denied coming under the central bank's regulatory framework designed for the MFS operators. Nagad, a joint venture company of Bangladesh Post Office and Third Wave Technologies Limited, formally launched its service in March this year after several months of test-run across the country. The interoperability service designed for the MFS operators would facilitate subscribers of any MFS operator transferring money to the subscribers of other MFS operators in real time.

<http://www.newagebd.net/article/92694/nagad-keen-on-mfs-interoperability-without-taking-bbs-licence>

Bullet payment eased for import of industrial raw materials

The Bangladesh Bank on Wednesday relaxed the bullet payment provision for import of industrial raw materials amid a fall in the country's export earnings. A bullet payment is the payment of a lump sum against an outstanding loan amount, usually on maturity. A BB circular issued on the day said that the relaxation was made with the aim of facilitating import transactions.

<http://www.newagebd.net/article/92693/bullet-payment-eased-for-import-of-industrial-raw-materials>

Stock

GP pays Tk 100cr as 'unpaid VAT'

Leading mobile phone operator Grameenphone has deposited Tk 100 crore to the national exchequer as 'unpaid Value Added Tax (VAT)' after a long dispute with the National Board of Revenue. GP deposited in the last week this portion of money of the 'unpaid VAT' of a total amount of around Tk 700 crore unearthed through a 'special audit' of NBR, said officials. Talking to BSS, a senior official of the Large Taxpayer Unit (LTU) said GP did not deposit the VAT amount during their payment to different organisations against receiving services. 'Now, a portion of the total unpaid VAT amount was deposited by GP after the audit claim,' he added.

<http://www.newagebd.net/article/92697/gp-pays-tk-100cr-as-unpaid-vat>

'Orjon' to create holistic supply chain financing eco-system

IPDC Finance Limited will launch 'Orjon', the first blockchain-based digital supply chain finance platform in Bangladesh today (Thursday). 'Orjon' is a comprehensive supply chain financing solution that provides financial facilities to corporate organizations, micro and small enterprises (MSEs) in one single chain through factoring, reverse factoring, work order, and distributor financing, according to a statement.

<https://today.thefinancialexpress.com.bd/stock-corporate/orjon-to-create-holistic-supply-chain-financing-eco-system-1575481266>

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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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