

Bangladesh market snapshot

	Last closing
DSEX Index	4,978.33
% change	0.39%
DS30 Index	1,734.23
% change	0.60%
DSES Index	1,150.20
% change	0.66%
Turnover (BDT mn)	11,901.53
Turnover (USD mn)	141.68
% change	21.93%
Market Capitalization (BDT bn)	3,756
Market Capitalization (USD bn)	44.72
% change	0.52%

Source: Dhaka Stock Exchange

International market snapshot

	Last closing
Dow Jones Industrial Average	27,500.89
% change	-2.25%
Nikkei 225	22,908.97
% change	-1.57%
FTSE 100	5,930.30
% change	-0.12%

Source: Bloomberg

Exchange rate

Currency	BDT
USD	84.80
EUR	100.23
GBP	111.68
INR	1.15

Source: Bangladesh Bank

Money market

Date	Call Money Rate Range (%)	Weighted Average (%)
07-Sep-2020	0.50-5.25	2.79
06-Sep-2020	0.75-5.25	3.12

Source: Bangladesh Bank

Commodities

	Price	% Change
Brent Crude (Oil), USD/bbl	39.57	-0.53%
Gold Spot, USD/t oz	1,927.42	-0.24%
Cotton, USD/lb	63.77	-0.39%

Source: Bloomberg

Economy

NSC sales rise by 29pc in July

The net sales of savings certificates increased by 28.85 per cent or Tk 829.67 crore year-on-year in July, the first month of the fiscal year 2020-2021, mainly due to lower yield against bank deposits and stagnant state of business due to the outbreak of coronavirus in the country. In July of FY21, the net sales of savings certificates increased to Tk 3,705.24 crore against Tk 2,875.57 crore in the same month of FY20. The National Savings Directorate in July sold NSCs worth Tk 8,705.62 crore against encashment of the schemes worth Tk 5,000.39 crore. Besides, the NSD also paid Tk 2,243.52 crore as interest in the month. The net sales figure in July was 8.43 per cent or Tk 287.99 crore higher than Tk 3,417.25 crore in the net sales of NSCs in June, the last month of FY20. Bankers said that the bank depositors, who were eligible to invest in national savings certificates, had been diverting their money to the NSCs due to the lower yield in bank deposits.

<https://www.newagebd.net/article/115719/nsc-sales-rise-by-29pc-in-july>

Govt plans to allow exporters to invest abroad

The government is going to award the local exporters a big opportunity to invest abroad subject to an adequate balance in their export retention quota – a portion of export earnings they have saved as foreign currency. An exporter will be able to invest, in the form of equity, an amount which is the lowest between the 20% of his five-year average annual export earnings and the 25% of the net assets shown in the latest audited annual financial report.

<https://tbsnews.net/economy/govt-plans-allow-exporters-invest-abroad-130225>

NBR expects big rise in corporate tax revenue

The tax authorities are hopeful about a substantial increase in corporate tax returns this year as they have put in place a number of measures to rope in the tax-evading companies and the companies that submit fake audit reports. They also expect a notable increase in tax revenue earnings because of the latest actions.

<https://today.thefinancialexpress.com.bd/first-page/nbr-expects-big-rise-in-corporate-tax-revenue-1599585857>

WB may provide \$170m for customs modernisation

The World Bank (WB) has expressed interest to help the National Board of Revenue (NBR) modernise its customs procedure for promoting regional trade and investments. The WB has assured Bangladesh of providing assistance worth US\$170 million for upgrading the cross-border and regional trade facilitation works. Meanwhile, the ERD, on behalf of the NBR, requested the Washington-based lender for bankrolling the customs modernisation project.

<https://today.thefinancialexpress.com.bd/trade-market/wb-may-provide-170m-for-customs-modernisation-1599581587>

LDC group to seek support for 10 yrs after graduation

The group of least developed countries (LDCs) has opted to request the rich nations for extending support measures, available to the graduating LDCs, for at least a period of 10 years after they are excluded from the category. The proposal will be placed in line with the UN General Assembly resolution 59/209, which stated the need for creation of "smooth transition strategies for countries graduating from the list of LDCs".

<https://today.thefinancialexpress.com.bd/first-page/lcd-group-to-seek-support-for-10-yrs-after-graduation-1599586439>

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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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