

## Bangladesh market snapshot

	Last closing
DSEX Index	5,008.97
% change	-0.49%
DS30 Index	1,758.12
% change	-0.49%
DSES Index	1,169.51
% change	-0.17%
Turnover (BDT mn)	4,070.38
Turnover (USD mn)	48.46
% change	9.53%
Market Capitalization (BDT bn)	3,747
Market Capitalization (USD bn)	44.61
% change	-0.33%

Source: Dhaka Stock Exchange

## International market snapshot

	Last closing
Dow Jones Industrial	26,797.46
Average % change	0.26%
Nikkei 225	21,318.42
% change	0.56%
FTSE 100	7,263.80
% change	-0.25%

Source: Bloomberg

## Exchange rate

Currency	BDT
USD	84.50
EUR	93.21
GBP	103.79
INR	1.18

Source: Bangladesh Bank

## Money Market

Date	Call Money Rate Range (%)	Weighted Average (%)
08-Sep-2019	4.50-5.50	5.04
05-Sep-2019	4.00-5.50	5.03

Source: Bangladesh Bank

## Commodities

	Price	% Change
Brent Crude (Oil), USD/bbl	62.81	+0.69%
Gold Spot, USD/t oz	1,491.01	+0.35%
Cotton, USD/lb	59.25	-0.15%

Source: Bloomberg

## Economy

### Govt considers Tk 50b special fund for shipbuilding sector

The government is mulling over forming a special fund worth Tk 50 billion to help develop the shipbuilding industry in the country. Arranging bank loans at 4.0 per cent interest rate with 25 years of repayment period is also under consideration as part of the government's effort to promote the potential industry. The Ministry of Industries has recently drafted the Shipbuilding Industry Development Policy-2019, which said a Tk 5.0 billion non-funded arrangement will be there to provide sovereign bank guarantee at low cost. The shipbuilding yards will be offered tax holiday facility for 10 years to help them grow and the rate of cash incentives will be enhanced from the present rate.

<https://thefinancialexpress.com.bd/public/trade/govt-considers-tk-50b-special-fund-for-shipbuilding-sector-1568087990>

### NBR to probe source tax deposit by hospitals, diagnostic centres

The National Board of Revenue has decided to scrutinise books of accounts of private hospitals, clinics and diagnostic centres in the country to verify whether the entities properly deduct income tax at source and deposit the tax in the government exchequer. Field-level offices of the NBR will carry out a special drive at the health service providing entities to verify deduction and collection of tax from different sources including payment of doctors' fee and house rent and payment to suppliers.

<http://www.newagebd.net/article/84111/nbr-to-probe-source-tax-deposit-by-hospitals-diagnostic-centres>

### Freelancers allowed to remit up to \$500 for IT expenses

Bangladesh Bank on Monday raised the limit of overseas IT expenses for individual mobile app and game developers or freelancers to \$500 from existing \$300 in a calendar year. For remitting the extended limit abroad, the freelancers or developers must have certificates in any of the criterion — acknowledgements, training, bootcamps, hackathons and course participation certificates — on mobile application development. The expenses can be remitted through virtual cards including debit, credit and pre-paid cards. Apart from the \$500 limit, developers or freelancers were also permitted to remit their bonafide business expenses from their balance with Export Retention Quota accounts through digital wallet.

<http://www.newagebd.net/article/84117/freelancers-allowed-to-remit-up-to-500-for-it-expenses>

### Govt raises hopes for aspiring entrepreneurs

The government yesterday raised the hopes of aspiring entrepreneurs as it announced a Credit Guarantee Fund (CGF) to act as guarantors for them when they apply for loans to banks or financial institutions to kick-start their venture. The development comes after the cabinet approved the four-year-long SME Policy 2019.

<https://www.thedailystar.net/business/news/govt-raises-hopes->

[aspiring-entrepreneurs-1798186](#)

### **Germany to set up BMW assembly plant: Kamal**

A visiting high-level business delegation of Germany has proposed setting up a plant in Bangladesh to assemble BMW and Mercedes-Benz cars. Some parts will be manufactured in the plant and some will be brought from abroad for the vehicles to be assembled.

<https://www.thedailystar.net/business/news/germany-set-bmw-assembly-plant-kamal-1798171>

### **Bank & NBF**

#### **BB mulls int'l factoring**

The central bank will introduce international factoring soon to help both exporters and importers run their global trade smoothly. In factoring, banks play a limited role and exporters and importers settle their business with mutual understanding. International factoring will give a boost to the country's export and it will also allow importers to settle imports at a lower cost. Some 400 lenders in 90 countries are now using factoring as an alternative to letters of credit.

<https://www.thedailystar.net/business/news/bb-mulls-intl-factoring-1798183>

#### **Banks' capital base strengthens**

The banking sector's capital base strengthened on paper in the second quarter of the year after some banks were allowed to keep their provisioning against default loans in phases. Besides, some lenders also recovered a good amount of fund from defaulted loans, which has made their capital base stronger than a quarter earlier. As of June this year, banks' capital adequacy ratio (CAR), which determines the adequacy of banks' capital in keeping with their risk exposure, stood at 11.74 percent, up from 11.41 percent three months earlier and 10.11 percent a year earlier.

<https://www.thedailystar.net/business/news/banks-capital-base-strengthens-1798189>

#### **Bangladesh Bank rejects telcos' inclusion in agent banking service**

Bangladesh Bank has rejected a plea of Bank Asia, a private commercial bank, to run its agent banking service through outlets of two mobile phone operators — Grameenphone and Robi. The decision was made based on a policy of the central bank regarding the telecom operators. Ensuring safety and security of banking information was another reason for the rejection.

<http://www.newagebd.net/article/84114/bangladesh-bank-rejects-telcos-inclusion-in-agent-banking-service>

### **Telecom**

#### **Teletalk adds 4 lakh, Robi loses 2 lakh users in July**

Robi Axiata, the country's second largest mobile phone operator, lost two lakh subscribers while state-owned Teletalk added 3.93 lakh subscribers in July this year. The number of mobile phone subscribers increased by

3.45 lakh to 16.21 crore at the end of July this year from 16.18 crore a month ago. Out of the four active mobile phone operators, the number of subscribers of three operators — Teletalk, Grameenphone and Banglalink — increased in July and the rest one, Robi, lost subscribers in the month. As a result, the subscriber base of Robi dropped to 4.77 crore from 4.79 crore. With addition of 1.03 lakh subscribers in July, the subscriber base of Grameenphone, the largest operator, increased to 7.54 crore from 7.53 crore.

<http://www.newagebd.net/article/84116/teletalk-adds-4-lakh-robi-loses-2-lakh-users-in-july>

## **Textile**

### **Accord not to snap ties with factories without BGMEA nod**

The Accord on Fire and Building Safety in Bangladesh, a platform of European fashion brands and buyers, will no more terminate ties with any readymade garment factory without consulting the Bangladesh Garment Manufacturers and Exporters Association. the BGMEA president said as to the issue, the chief safety inspector of Accord would not escalate factories on the criteria of average corrected remediation percentage for the fire safety.

<http://www.newagebd.net/article/84113/accord-not-to-snap-ties-with-factories-without-bgmea-nod>

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<b>Recommendation Type</b>	<b>Holding period (if not otherwise mentioned)</b>	<b>Absolute Return Potential</b>
Buy	12 Months	More than +15%
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