

Bangladesh market snapshot

	Last closing
DSEX Index	5,222.30
% change	-0.16%
DS30 Index	1,857.71
% change	-0.17%
DSES Index	1,194.60
% change	-0.31%
Turnover (BDT mn)	3,510.83
Turnover (USD mn)	41.80
% change	-14.14%
Market Capitalization (BDT bn)	3,866
Market Capitalization (USD bn)	46.00
% change	-0.17%

Source: Dhaka Stock Exchange

International market snapshot

	Last closing
Dow Jones Industrial Average	27,332.03
% change	+0.90%
Nikkei 225	21,685.90
% change	+0.20%
FTSE 100	7,505.97
% change	-0.05%

Source: Bloomberg

Exchange rate

Currency	BDT
USD	84.50
EUR	95.09
GBP	105.64
INR	1.23

Source: Bangladesh Bank

Money Market

Date	Call Money Rate Range	Weighted Average (%)
10-July-2019	1.75-5.00	3.14
09-July-2019	1.90-5.00	3.38

Source: Bangladesh Bank

Commodities

	Price	% Change
Brent Crude (Oil), USD/bbl	66.72	+0.30%
Gold Spot, USD/t oz	1,415.75	+0.85%
Cotton, USD/lb	62.68	-0.63%

Source: Bloomberg

Economy

Burgeoning economy lures Korean investors

In a heartening development, more and more South Korean companies are coming to Bangladesh with investment plans, attracted by the country's tremendous growth momentum. "This is a positive development for Bangladesh as there would be technology transfer," said Mohammad Mustafa Haider, managing director of Super Petrochemical, a concern of TK Group. Super Petrochemical teamed up with SK Group of South Korea last year to invest \$2.5 billion for setting up a petrochemical complex and a liquefied petroleum gas terminal in Moheshkhali.

<https://www.thedailystar.net/business/news/burgeoning-economy-lures-korean-investors-1771189>

Number of outbound women workers up 10pc in Jan-Jun

The number of outbound women workers has increased by more than 10 per cent in the first six months of the current calendar year amid allegation of different types of workplace exploitation. According to the data of Bureau of Manpower Employment and Training (BMET), a total of 62,638 women domestic helps went abroad with jobs during the January-June period of the current year. The figure was 56,771 in the same period of last year.

<http://today.thefinancialexpress.com.bd/last-page/number-of-outbound-women-workers-up-10pc-in-jan-jun-1563035789>

AT puts importers in a tight spot

Importers said they have been bleeding after the slapping of a 5.0 per cent advance tax (AT) on imports, effective from July 01. Many importers said they require extra money to pay it at a time when the banking sector is facing liquidity crunch. Liquid assets of the banks plunged by Tk 175.3 billion last June to Tk 2.5 trillion, according to Bangladesh Bank. According to importers, this is creating an uneven competition in the economy as some privileged zones/areas are enjoying multiple tax exemptions.

<http://today.thefinancialexpress.com.bd/first-page/at-puts-importers-in-a-tight-spot-1562953590?date=13-07-2019>

Net NSC sales in July-May surpass FY18 figure

The net sales of national savings certificates in July-May of the just concluded fiscal year (2018-2019) exceeded the government's total borrowing through the high-cost instruments in the entire FY18, creating a cash crisis in the country's banking sector. As per the latest central bank data, the net NSCs sales stood at Tk 46,731.25 crore in the first eleven months of FY19, up Tk 200.95 crore on Tk 46,530.3 crore in FY18. On the other hand, the government's net fund collection through NSC sales in July-May of FY19 was Tk 3,367.49 crore or 7.77 per cent higher considering the Tk 43,363.76 crore net NSC sales in the same period in the previous fiscal year.

<http://www.newagebd.net/article/78300/net-nsc-sales-in-july-may-surpass-fy18-figure>

Bangladesh looking to make the most of US-China trade war

Apex Footwear Limited, a local leather goods and footwear manufacturer and exporter, has recently been audited by two US brands expressing their intent to purchase goods from Bangladesh as part of their relocation plan from China. These two buyers are new, who started negotiation with the Apex Footwear in recent times to tie up with Bangladeshi manufacturers — a phenomenon triggered by the ongoing US-China trade war. Bangladesh's leather exports to the US market already have gained from the trade war, registering a 34% growth in the just concluded fiscal year. According to Export Promotion Bureau (EPB) to data, exporting leather and leather goods including footwear Bangladesh earned \$207.13 million, up by 34.10%, which was \$154.47 million in the previous fiscal year.

<https://www.dhakatribune.com/business/economy/2019/07/13/bangladesh-looking-to-make-the-most-of-us-china-trade-war>

Textile

Apparel prices fall 1.61pc in 4yrs

Prices of garment items exported from Bangladesh dipped by 1.61 percent over the last four years, a reflection of the pressure international clothing retailers and brands always put on the garment manufacturers for lowering prices. If the period between fiscal 2015-16 and 2018-19 are taken into consideration, price per unit of garment items increased only last year by 1.42 percent, according to data from Bangladesh Garment Manufacturers and Exporters Association (BGMEA). Per unit prices fell 2.12 percent in fiscal 2016-17 compared to the previous year and it experienced another fall of 4.07 percent in fiscal 2017-18.

<https://www.thedailystar.net/business/news/apparel-prices-fall-161pc-4yrs-1771186>

Capital Market

Foreign funds in stocks slip into negative territory

Net foreign investment in Dhaka Stock Exchange tipped into negative territory for the first time in eight years last fiscal year as overseas investors sold more stocks than they purchased. Analysts attributed the fall to the depreciation of the local currency against the American greenback and regulators' sudden decision aimed at listed companies.

<https://www.thedailystar.net/business/news/foreign-funds-stocks-slip-negative-territory-1771177>

DSE board decides on Coppertech listing

The board of the country's premier bourse has asked its management to take an initiative for the listing and trading of the shares of much-talked-about Coppertech Industries on the Dhaka Stock Exchange (DSE) as per existing rules and regulations. Following the decision, the stalemate over the listing of the Coppertech Industries, mired in controversies over its financial statements, has finally been resolved.

<http://today.thefinancialexpress.com.bd/first-page/dse-board-decides-on-coppertech-listing-1562867946?date=12-07-2019>

Stock

Dhaka Bank sets sights on digital transformation

Dhaka Bank is increasingly embracing digital transformation to serve its clients better as tech-savvy customers expect advanced services and products, its top executive said. "Digital innovations are the next big thing in the banking sector. And we have decided to embrace the transformation to make banking easier," said Syed Mahbubur Rahman, managing director of Dhaka Bank.

<https://www.thedailystar.net/business/news/dhaka-bank-sets-sights-digital-transformation-1771171>

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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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