

Bangladesh market snapshot

	Last closing
DSEX Index	4,089.52
% change	-0.24%
DS30 Index	1,376.07
% change	-0.55%
DSES Index	950.85
% change	-0.42%
Turnover (BDT mn)	3,779.56
Turnover (USD mn)	44.99
% change	8.93%
Market Capitalization (BDT bn)	3,164
Market Capitalization (USD bn)	37.67
% change	-0.47%

Source: Dhaka Stock Exchange

International market snapshot

	Last closing
Dow Jones Industrial Average	26,085.80
% change	+0.04%
Nikkei 225	22,593.27
% change	-0.84%
FTSE 100	6,176.19
% change	+1.33%

Source: Bloomberg

Exchange rate

Currency	BDT
USD	84.80
EUR	95.84
GBP	107.05
INR	1.13

Source: Bangladesh Bank

Money market

Date	Call Money Rate Range (%)	Weighted Average (%)
12-Jul-2020	1.00-5.50	3.12
09-Jul-2020	1.25-5.50	3.52

Source: Bangladesh Bank

Commodities

	Price	% Change
Brent Crude (Oil), USD/bbl	41.94	-1.83%
Gold Spot, USD/t oz	1,798.92	-0.21%
Cotton, USD/lb	62.62	-1.15%

Source: Bloomberg

Economy

\$2.0b budgetary support likely this fiscal year

The government is working on securing about \$2.0 billion budgetary support from bilateral and multilateral development partners in the current fiscal year (FY). In the just-concluded fiscal year, Bangladesh got \$1.0 billion as budgetary support to help the economy tide over the crisis created by the covid pandemic. The country, in the meanwhile, received \$732 million from the International Monetary Fund or IMF as emergency assistance to meet the balance of payments and budget needs.

<https://today.thefinancialexpress.com.bd/first-page/20b-budgetary-support-likely-this-fiscal-year-1594660944>

Economy slowly coming out of coma

Even amid ongoing debates over economic-recovery strategies, some businesses see a surge in demand for quite a few products. Sales of mobile phone, computer, laptop, TV, refrigerator, construction ms rod, cement, and motorcycle saw a rise in demand in June. Businesspeople attributed the growth in these sectors to people venturing out to complete their suspended spending decisions during the shutdown period. New realities have also created demands for new products contributing to the surge, they think. The market for daily essentials such as fish, meat, oil, pulses, imported spices is also slowly recovering from a moribund state. Sales of daily commodities grew by at least 20 percent in June compared to April-May. However, traders claim that sales of furniture, clothing and jewellery are yet to come back to comfortable figures. They report about 25-30 percent sales of pre-pandemic times. On the other hand, lost customers of restaurants and footpath shops have not come back yet in full force because of requiring to stay within health safety guidelines.

<https://tbsnews.net/economy/economy-slowly-coming-out-coma-105841>

NBR to launch VAT e-payment July 16

The National Board of Revenue (NBR) is going to introduce e-payment system for the VAT-payers on July 16 (Thursday) to facilitate VAT payment from anywhere. Initially, people having accounts in three banks can make the e-payment. However, the facility will be extended later in phases. The banks are - HSBC, Midland and Prime.

<https://today.thefinancialexpress.com.bd/first-page/nbr-to-launch-vat-e-payment-july-16-1594661282>

Fuel and Power

ENOC submits best bid to supply marine fuel

Emirates National Oil Company, or ENOC, has submitted the best bid to supply the initial consignments of cleaner marine fuel to Bangladesh. State-run Bangladesh Petroleum Corporation, or BPC, received a total of four bids from global firms on close of the bid

submission deadline last week. The BPC has a plan to start importing cleaner marine fuel with 0.5 per cent sulfur from this month instead of 180 CST high sulfur fuel oil with 3.5 per cent sulfur as per the guideline of the International Maritime Organisation, or IMO, on cleaner environment.

<https://today.thefinancialexpress.com.bd/trade-market/enoc-submits-best-bid-to-supply-marine-fuel-1594658145>

Textile

Orders are finally trickling in, but garment factories are still reaching out for the axe

One has got to feel for the garment workers. Despite the availability of low-cost loans to pay wages, repeated requests from the labour ministry and a recent uptick in work orders from international buyers, they are getting the chop. This month alone, another 1,000 workers lost employment. However, the pace of laying off has started to drop off as the factories are receiving an increased amount of work orders after the opening up of stores in Europe and the US, the main destinations of Bangladesh's garment items. There are 341 medium-sized factories with an export value of \$4.1 billion. These factories are running at 60 per cent of their capacity and are trying to revive their business.

<https://www.thedailystar.net/business/news/orders-are-finally-trickling-garment-factories-are-still-reaching-out-the-axe-1930117>

Capital Market

Express Insurance's IPO lottery draw July 23

Express Insurance Ltd is set to hold IPO lottery draw on July 23, aiming to allocate 26.07 million ordinary shares among the successful applicants. The non-life insurer raised a fund worth Tk 260.79 million from the capital market using the fixed price method. The company's IPO was oversubscribed by six times as the company received about Tk 1.58 billion against IPO shares worth Tk 260.79 million.

<https://today.thefinancialexpress.com.bd/stock-corporate/express-insurances-ipo-lottery-draw-july-23-1594655039>

DSE to strengthen electronic bidding platform by December

The securities regulator has asked the Dhaka Stock Exchange (DSE) to strengthen its Electronic Subscription System (ESS) so that it can deliver the best service. DSE will address all points by this year, the country's premier bourse said in a reply to the Bangladesh Securities and Exchange Commission (BSEC). The regulator, observing potential weaknesses in the online bidding platform, has directed the DSE to give it a sound technological base and ensure user authentication, tracing, and information encryption.

<https://tbsnews.net/economy/stock/dse-strengthen-electronic-bidding-platform-december-105775>

Listing of five SoEs to be delayed over share money deposit rules

The listing of five state-run energy companies is likely to be delayed due to ensuring compliance with rules formulated recently by the Financial Reporting Council asking the SoEs to issue shares against the government's share money deposits within six months. The current coronavirus pandemic situation in the country has also become a major hurdle to expediting the process of issuing shares and also for going public. The five companies are North West Power Generation Company Limited (NWPGL), Electricity Generation Company of Bangladesh Ltd (EGCB), Ashuganj Power Station Company Ltd (APSCL), BR Powergen Ltd and Gas Transmission Company Limited (GTCL). The companies are yet to complete valuation of their assets.

<https://www.newagebd.net/article/111102/listing-of-five-soes-to-be-delayed-over-share-money-deposit-rules>

No move for encouraging local, foreign cos' IPO floatation

Dhaka Stock Exchange (DSE) has moved to review the performances of its staffs from top to bottom in the context of their respective salaries and benefits to ensure an efficient management reducing operating costs. The exchange failed to get returns in line with the salary hikes observed after completing the exchange's demutualisation process. What sort of international products and market development standards have been brought in DSE by its staffs after getting training were not visible. Along with finding many identical jobs of the exchange's staffs, the DSE's team found lacking in the management's business plan for new market and products as well as promoting plan of listing local and foreign companies.

<https://today.thefinancialexpress.com.bd/stock-corporate/no-move-for-encouraging-local-foreign-cos-ipo-floatation-1594654806>

Stocks

HC upholds BB letter fining One Bank Tk 1.0m

The High Court on Monday upheld a Bangladesh Bank letter that fined One Bank Tk 1.0 million on charges of violating Section 15(4) of the Bank Company Act 1991 and keeping its chairman Sayeed Hossain Chowdhury as a director of the bank. The court said in its order that the ad-interim prayer of the writ petitioner against the BB letter is rejected. At the same time, the court asked the writ petitioner to place the petition before a regular High Court bench after the reopening of its activities.

<https://today.thefinancialexpress.com.bd/trade-market/hc-upholds-bb-letter-fining-one-bank-tk-10m-1594658172>

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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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