

Bangladesh market snapshot

	Last closing
DSEX Index	5,094.06
% change	1.65%
DS30 Index	1,756.89
% change	0.96%
DSES Index	1,170.66
% change	1.05%
Turnover (BDT mn)	13,297.28
Turnover (USD mn)	158.30
% change	29.79%
Market Capitalization (BDT bn)	3,847
Market Capitalization (USD bn)	45.79
% change	1.51%

Source: Dhaka Stock Exchange

International market snapshot

	Last closing
Dow Jones Industrial Average	27,665.64
% change	+0.48%
Nikkei 225	23,580.18
% change	+0.74%
FTSE 100	6,032.09
% change	+0.48%

Source: Bloomberg

Exchange rate

Currency	BDT
USD	84.80
EUR	100.47
GBP	108.53
INR	1.15

Source: Bangladesh Bank

Money market

Date	Call Money Rate Range (%)	Weighted Average (%)
10-Sep-2020	1.00-5.25	2.40
09-Sep-2020	1.00-5.25	2.56

Source: Bangladesh Bank

Commodities

	Price	% Change
Brent Crude (Oil), USD/bbl	40.01	+0.45%
Gold Spot, USD/t oz	1,950.23	+0.50%
Cotton, USD/lb	65.46	+1.00%

Source: Bloomberg

Economy

Record \$922m remittance inflow in first ten days of September

Inward remittance has registered a big jump in the first 10 days of the current month, with expatriates sending home \$922 million through the banking channel during the time. The figure was 72.65% higher than \$534 million during the same time in September last year. The country raked in \$572 million in remittance in the first 10 days of August. On July 1-9, expats sent home \$746 million, and the whole month's remittance receipt was \$2.6 billion, which was the single month's highest inflow in the history. In August, the country received \$1.96 billion in remittance.

<https://tbsnews.net/economy/record-922m-remittance-inflow-first-ten-days-september-132424>

E-commerce shines as people opt for online shopping

The coronavirus outbreak has given a boost to the e-commerce business in the country with the total size of e-commerce surging to Tk 16,616 crore in eight months of this year. The market size was Tk 13,184 crore in 2019. The COVID-19 outbreak had changed habits and lifestyles of consumers, creating new opportunities for the country's e-commerce market. A segment of consumers who had never thought of using online services for their daily needs were now enjoying such services on the platforms.

<https://www.newagebd.net/article/116175/e-commerce-shines-as-people-opt-for-online-shopping>

5 lakh social safety net accounts opened during Apr-Jun

During April-June this year, 691,872 new no-frills accounts under different categories were opened. Of them, 494,191 accounts were opened under the social safety net programme while farmers opened 56,094 accounts. Low-income people have shown interest in opening bank accounts during the Covid-19 pandemic to receive money from various types of stimulus funds declared by the government to shore up the economy.

<https://tbsnews.net/economy/banking/5-lakh-social-safety-net-accounts-opened-during-apr-jun-132436>

Non-EPZ firms can pay foreign staffers in dollars

The government is going to allow firms outside of the Export Processing Zone (EPZ) to pay their foreign employees in dollars. This has been a long-standing demand of companies and would make the revenue board better able to tax the foreigners. The approval will enable the export oriented non-EPZ companies to pay the foreign employees via their foreign currency (FC) accounts from the company export retention quota (ERQ) account. The central bank will issue a circular in this regard this week. The government is going to take the decision for two main reasons. These are that foreigners shy away from the non-EPZ companies as they pay salaries in local currency and in cash; plus payments in local currency and cash-in-hand deter the National Board of Revenue

(NBR) from taxing the foreign staffers.

<https://tbsnews.net/economy/industry/non-epz-firms-pay-foreign-staffers-dollars-132439>

Bank and NBFI

Banks' deposits swell

Deposits at banks rose 10.49 per cent year-on-year to Tk 1,305,453 crore in the last fiscal year on the back of tightening of rules around national savings certificates, record flow of remittance and rebounding economic activities. State-run commercial banks' deposit climbed 8.22 per cent to Tk 325,730 crore at the end of June when 40 private commercial banks had a combined deposit of Tk 885,921 crore, up 11.25 per cent year-on-year. Nine foreign banks accumulated a base of deposit of Tk 61,482 crore, which is 13.55 per cent higher than in June last year. A robust growth of remittance contributed to the healthy growth of deposits.

<https://www.thedailystar.net/business/news/banks-deposits-swell-1960765>

Hard-core poor's bank deposits drop

Deposits in the hard-core poor's bank accounts dropped by 23.49 per cent in the April-June period this year, when the coronavirus outbreak-induced economic shock was the most intense, compared with the deposits in the previous quarter as joblessness led them to use savings to meet daily expenses. Deposits in the hard-core poor's bank accounts dropped to Tk 246.94 crore at the end of June this year from Tk 322.76 crore three months ago. Their deposits in the June-end quarter dropped by 52.33 per cent from Tk 376.15 crore at the end of June last year. The average deposit in such accounts dropped to Tk 906 at the end of June this year from Tk 1,192 three months ago.

<https://www.newagebd.net/article/116174/hard-core-poor-bank-deposits-drop>

Transportation

Motorbike business revives shaking off pandemic sloth

Motorbike business in the country, after facing a setback following spread of the Covid-19 pandemic, has started picking up again since June due to resumption of normal traffic and other economic activities. The first three months of the pandemic - March, April and May - were quite frightening for the motorbike industry. But it started reviving in the later months, following a buying spree of people, who want to avoid public transport amid the pandemic. Consequently, the two-wheeler assemblers and manufacturers changed their previous projection of counting a huge loss, thanks to the country's gradual economic recovery.

<https://today.thefinancialexpress.com.bd/trade-market/motorbike-business-revives-shaking-off-pandemic-sloth-1600012144>

Tannery

Govt fixes wages for leather sector

The government has fixed Tk 7,100 as minimum monthly wages for the workers of the country's leather goods and footwear sector. The government has for the first time incorporated a provision for an annual increment of 5.0 per cent of the basic pay. The last minimum wages for the sector was set at Tk 3,652.50 in 2013. The government has fixed 50 per cent of the basic as house rent for factories located in divisional cities and 40 per cent as house rent for mills located at other cities.

<https://today.thefinancialexpress.com.bd/first-page/govt-fixes-wages-for-leather-sector-1600018764>

Capital Market

DSE reduces time for using mobile app

The Dhaka Stock Exchange (DSE) has reduced the time for DSE mobile app users' access to the trading system in view of the current cyber security situation and alert. The prime bourse has decided to allow the access to trading work station (TWS) and the DSE mobile app trading system from 8:00am to 8:00pm only on trading days. Earlier, the mobile app users could access the trading work station and DSE mobile app trading system round the clock every day. The DSE has taken the decision as precautionary measures and to avoid any cyber hacking attempts by foreign hackers.

<https://today.thefinancialexpress.com.bd/stock-corporate/dse-reduces-time-for-using-mobile-app-1600013206>

Stock

Meghna Petroleum signs deals with four cos to sell LPG

Meghna Petroleum, a state-run listed company, has signed agreements with four non-listed companies- Beximco LPG Unit-1, Bashundhara LP Gas, Omera Gas One and Unitex LP Gas- as part of its business expansion plan to sell LPG. Under the agreement, the state-run company will sell these companies' LPG by setting up LPG (autogas) refuelling station and liquefied petroleum gas conversion workshop parallel to the sale of petroleum oil through the company's registered filling station across the country. The Meghna Petroleum will receive a royalty of Tk 0.50 against per liter sale of LPG.

<https://today.thefinancialexpress.com.bd/stock-corporate/meghna-petroleum-signs-deals-with-four-cos-to-sell-lpg-1600013170>

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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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