

Bangladesh market snapshot

	Last closing
DSEX Index	5,092.15
% change	-0.04%
DS30 Index	1,756.01
% change	-0.05%
DSES Index	1,170.42
% change	-0.02%
Turnover (BDT mn)	11,489.56
Turnover (USD mn)	136.78
% change	-13.59%
Market Capitalization (BDT bn)	3,853
Market Capitalization (USD bn)	45.86
% change	0.16%

Source: Dhaka Stock Exchange

International market snapshot

	Last closing
Dow Jones Industrial Average	27,993.33
% change	+1.18%
Nikkei 225	23,426.26
% change	-0.56%
FTSE 100	6,026.25
% change	-0.10%

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 (%)
13-Sep-2020	1.00-5.25	2.37
10-Sep-2020	1.00-5.25	2.40

Source: Bangladesh Bank

Commodities

	Price	% Change
Brent Crude (Oil), USD/bbl	39.59	-0.05%
Gold Spot, USD/t oz	1,963.27	+0.33%
Cotton, USD/lb	66.74	+0.18%

Source: Bloomberg

Economy

BIDA eyes higher tax payment score

BIDA has projected to raise the country's paying tax score to 64.8 out of 100 from the existing 56.1 by 2021 in order to improve the nation's ease of doing business ranking. The Bangladesh Investment Development Authority (BIDA) also projected to lift the score to 68.05 by 2022. The BIDA made the projection in a report with a set of recommendations for improving the country's paying tax indicator in the ease of doing business index (EoDB) of the World Bank. On paying tax, Bangladesh's rank is currently 151 in the global index. The rank remained almost stagnant for several years due to lack of reforms in tax administration and tax measures.

<https://today.thefinancialexpress.com.bd/last-page/bida-eyes-higher-tax-payment-score-1600105291>

Bank and NBFIs

No of accounts, amount of deposits rise in Apr-June

The number of bank accounts with more than Tk 1 crore in deposits increased by 3,412 to 86,037 in the April-June quarter this year, when the coronavirus outbreak-induced economic shock was the most intense, compared with the number of such accounts in the previous quarter. The amount of deposits in such accounts also rose by Tk 25,312.4 crore during the period. A fall in imports after the outbreak of coronavirus was also a reason for the increased deposits in those accounts of the businesspeople as they found no alternative investment scope. The amount of deposits in accounts having more than Tk 1 crore in deposits rose to Tk 5,41,190 crore at the end of June this year from Tk 5,15,878 crore three months ago.

<https://www.newagebd.net/article/116253/no-of-accounts-amount-of-deposits-rise-in-apr-june>

Nagad to make MFS account-opening faster for Grameenphone users

Bangladesh's mobile financial service is set to take a major leap forward in the coming months after Nagad has introduced a quick account-opening process for mobile phone subscribers. The fast-growing mobile financial service provider is now running a trial with Grameenphone, Bangladesh's largest mobile phone operator, and hopes to roll out the simplest account-opening process within the next couple of weeks. Once the system is up and running officially, it would give the country's majority of the 16-crore-strong mobile phone subscribers an opportunity to open an MFS account in a quick manner. The total number of mobile phone subscribers reached 16.13 crore at the end of June this year.

<https://www.thedailystar.net/business/news/nagad-make-mfs-account-opening-faster-grameenphone-users-1961397>

Fuel and Power

Surplus capacity to get priority in power master plan review

Surplus capacity and fuel issues are likely to be prioritised in the forthcoming review of the Power System Master Plan (PSMP). Due to existing over-capacity, the Power Division under the Ministry of Power, Energy and Mineral Resources initiated the revision of the PSMP 2016. The review will start as soon as the ongoing pandemic situation normalises. A memorandum of understanding had already been inked between the Power Division and review consultant Tokyo Electric Power Company (TEPCO) Ltd. In the forthcoming review, the government will look at five major areas, including: demand forecast, future technology, fuel issues, environment, and renewable energy. This time, the Power Division is earnest about formulating short-term policies.

<https://tbsnews.net/bangladesh/energy/surplus-capacity-get-priority-power-master-plan-review-132499>

Telecommunication

GP, Robi, BL add 30.65 lakh subscribers in July

The number of subscribers of the country's three private mobile phone operators- Grameenphone, Robi and Banglalink- increased by 30.63 lakh in July this year while state-owned Teletalk lost 75,000 subscribers in the month. The total number of mobile phone subscribers in the country rose by 29.87 lakh to 16.43 crore at the end of July this year from 16.13 crore a month ago. The improvement was a reflection of the gradual restoration of normalcy in public movement even though the coronavirus outbreak was yet to be brought under control. Total subscribers of leading mobile phone Grameenphone increased by 15.53 lakh to 7.61 crore at the end of July from 7.45 crore in the previous month.

<https://www.newagebd.net/article/116256/gp-robi-bl-add-3065-lakh-subscribers-in-july>

Capital Market

Bond sales losing steam

Bangladesh's bond market is under-performing as sales of major such debt instruments are on the declining trend. The bond sales by banks to the clients fell in fiscal year (FY) 2019-20 compared to the last couple of years. The complex purchasing procedure, the absence of promotional activities and marketing and the lack of confidence are mainly hampering the growth in the country's bond market. The total sales of three major savings bonds in FY2020 was Tk 16.20 billion, 14.15 per cent lower than Tk 18.87 billion sold in FY2019. The sales of the bonds were even higher in FY2018 when the buyers bought bonds worth Tk 22.70 billion.

<https://today.thefinancialexpress.com.bd/last-page/bond-sales-losing-steam-1600105222>

Stock

BSEC suspends share trading of Zeal Bangla Sugar Mills

The stock market regulator has suspended share trading of Zeal Bangla Sugar Mills, with effect from today (Tuesday), following 'unusual' transactions and movement of its share price. The share price of Zeal Bangla, a 'Z' category company, shot up by more than 574 per cent or Tk 181.50 each within two months.

<https://today.thefinancialexpress.com.bd/stock-corporate/bsec-suspends-share-trading-of-zeal-bangla-sugar-mills-1600101271>

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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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