

Bangladesh market snapshot

| | Last closing |
|--------------------------------|--------------|
| DSEX Index | 5,201.42 |
| % change | 0.27% |
| DS30 Index | 1,837.75 |
| % change | 0.04% |
| DSES Index | 1,192.22 |
| % change | 0.19% |
| Turnover (BDT mn) | 4,105.63 |
| Turnover (USD mn) | 48.88 |
| % change | -8.57% |
| Market Capitalization (BDT bn) | 3,866 |
| Market Capitalization (USD bn) | 46.00 |
| % change | 0.36% |

Source: Dhaka Stock Exchange

International market snapshot

| | Last closing |
|------------------------------|--------------|
| Dow Jones Industrial Average | 25,886.01 |
| % change | 1.20% |
| Nikkei 225 | 20,418.81 |
| % change | 0.06% |
| FTSE 100 | 7,117.15 |
| % change | +0.71% |

Source: Bloomberg

Exchange rate

| Currency | BDT |
|----------|--------|
| USD | 84.50 |
| EUR | 94.40 |
| GBP | 101.92 |
| INR | 1.18 |

Source: Bangladesh Bank

Money Market

| Date | Call Money Rate Range | Weighted Average (%) |
|-------------|-----------------------|----------------------|
| 08-Aug-2019 | 4.25-5.00 | 4.61 |
| 07-Aug-2019 | 4.25-5.00 | 4.56 |

Source: Bangladesh Bank

Commodities

| | Price | % Change |
|---------------------|----------|----------|
| Brent Crude (Oil), | 58.64 | +0.70% |
| Gold Spot, USD/t oz | 1,513.52 | -0.64% |
| Cotton, USD/lb | 60.13 | 0.86% |

Source: Bloomberg

Economy

Govt considers LNG buy from spot mkt

State-run Rupantarita Prakritik Gas Company Ltd has initiated master sales agreements (MSAs) with 17 global suppliers separately to source liquefied natural gas (LNG) from spot market. Final deals will be signed soon following the approval from the cabinet committee on economic affairs, a senior company official told the FE. He said the Energy and Mineral Resources Division under the Ministry of Power, Energy and Mineral Resources (MPEMR) has already decided, in principle, to import around one-fourth of the country's total LNG requirement from the spot market to reap the benefit of falling prices.

<http://today.thefinancialexpress.com.bd/first-page/govt-considers-lng-buy-from-spot-mkt-1566060148>

Tk 51.5b project taken for Pyra Port

The government is going to build one of the biggest multipurpose terminals of the country at the Pyra Seaport with the financial support of India, officials said on Friday. They also said the Pyra Port Authority (PPA) has taken up a project at a cost of Tk 51.50 billion, where Tk 44.02 billion will come from the Indian Line of Credit (LoC). The berthing length of the multipurpose terminal will be 1,200 metres, they added. According to the PPA officials, the terminal will be mainly used for handling general cargo, sand and aggregate, and grains.

<http://today.thefinancialexpress.com.bd/last-page/tk-515b-project-taken-for-pyra-port-1566060719>

Govt's borrowing from banks almost half of its plan

The government's bank borrowing last fiscal year was almost half of what it had planned to, thanks to its lower development expenditure and higher sales of national savings certificates, much to the relief of the cash-strapped banking sector. In fiscal 2018-19, Tk 17,179 crore was borrowed from the banking sector although the target set at the beginning of the year was Tk 30,895 crore, according to data from the Bangladesh Bank.

<https://www.thedailystar.net/business/banking/news/govts-borrowing-banks-almost-half-its-plan-1786588>

Sojitz, Energypac want PPP to build seaport, industrial park

Japanese Sojitz Corporation and local Energypac want the Bangladesh government to get involved in their \$2-billion plan to build a seaport and energy industrial park in Chattogram under a public-private partnership (PPP). Sojitz and Energypac have shared their plan with the Prime Minister's Office and the Chittagong Port Authority in order to involve the government with the project. The PPP is aimed at faster implementation of the project at Mirsarai Economic Zone and raising funds as well, said Nurul Aktar, a director of Energypac Power Generation.

<https://www.thedailystar.net/business/news/sojitz-energypac-want-ppp-build-seaport-industrial-park-1786645>

Bank & NBFIs**BB plans uniform method to calculate cost of funds**

The central bank is set to come up with a new formula for calculating the cost of funds for banks with a view to bringing down the interest rate on lending, much to the trepidation of bankers. The cost of funds is the interest rate paid by lenders for the funds they use in their business. The move comes as banks now calculate their cost of fund following different methods, raising questions of transparency. In a bid to bring uniformity the Bangladesh Bank has now decided to come up with a blanket formula that all banks must use to calculate their cost of funds.

<https://www.thedailystar.net/business/banking/news/bb-plans-uniform-method-calculate-cost-funds-1786630>

BB mulls approving merger, bond issuance proposals

The Bangladesh Bank (BB) is thinking to approve proposals for issuance of bonds by ailing non-bank financial institutions (NBFIs) as a long-term measure for recovery from the ongoing liquidity shortfall, highly placed sources have said. "Issuance of bond by the NBFIs is a long-term plan to address liquidity crisis. NBFIs were advised to submit proposal. We will give approval to 'bond issuance proposals' within the shortest possible time," said a top official of the central bank wishing not to be named.

<https://www.dhakatribune.com/business/banks/2019/08/14/bb-mulls-approving-merger-bond-issuance-proposals>

Capital Market**BSEC to follow new rules in dealing with pending IPOs**

The Bangladesh Securities and Exchange Commission will follow new public issue rules in dealing with the pending applications for initial public offerings of different companies. The new rules would be issued through a gazette notification soon, BSEC officials said. They said that the new public issue rules would repeal the existing rules, so the repealed rules would be ineffective for the pending IPOs. The officials, however, said that the commission might consider the IPO size of the companies under the rules they had submitted the applications. There are around 26 companies who had applied for IPOs under the existing public issue rules and have been waiting for IPO approval from the commission.

<http://www.newagebd.net/article/81718/bsec-to-follow-new-rules-in-dealing-with-pending-ipos>

MNCs rule the roost in distributing dividends

The listed multinational companies (MNCs) have continued their dominance in distributing dividends. The MNCs were the majority in the chart of top 20 listed companies which distributed dividends for the year ended on June 30 and December 31, 2018. Of top 20 companies, 10 were MNCs which disbursed dividends ranging between 75 per cent and 700 per cent. On the other hand, the local companies, which were in the chart of top 20 companies, distributed dividends ranging between 48 per cent and 140 per cent.

<http://today.thefinancialexpress.com.bd/stock-corporate/mncs-rule-the-roost-in-distributing-dividends-1566054305>

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| Recommendation Type | Holding period (if not otherwise mentioned) | Absolute Return Potential |
|----------------------------|----------------------------------------------------|----------------------------------|
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| Neutral/ Hold | 12 Months | Between +15 % and -5 % |
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