

Bangladesh market snapshot

	Last closing
DSEX Index	4,888.02
% change	-0.83%
DS30 Index	1,735.86
% change	-0.91%
DSES Index	1,130.63
% change	-1.42%
Turnover (BDT mn)	3,715.38
Turnover (USD mn)	44.23
% change	-14.70%
Market Capitalization (BDT bn)	3,685
Market Capitalization (USD bn)	43.87
% change	-0.70%

Source: Dhaka Stock Exchange

International market snapshot

	Last closing
Dow Jones Industrial Average	27,110.80
% change	0.13%
Nikkei 225	21,960.71
% change	-0.18%
FTSE 100	7,347.69
% change	0.37%

Source: Bloomberg

Exchange rate

Currency	BDT
USD	84.50
EUR	93.58
GBP	105.65
INR	1.18

Source: Bangladesh Bank

Money Market

Date	Call Money Rate Range (%)	Weighted Average (%)
17-Sep-2019	4.50-5.50	5.04
16-Sep-2019	4.50-5.50	5.03

Source: Bangladesh Bank

Commodities

	Price	% Change
Brent Crude (Oil), USD/bbl	63.70	+0.16%
Gold Spot, USD/t oz	1,494.47	+0.03%
Cotton, USD/lb	60.88	+0.63%

Source: Bloomberg

Economy

IMF projects GDP growth rate at 7.6pc

The International Monetary Fund (IMF) projected that the economy of Bangladesh would grow 7.6 per cent in fiscal year (FY) 2019-20. The IMF projected the GDP growth rate at 8.0 per cent for FY 2018-19. The Washington-based global monetary watchdog also projected that Bangladesh's inflation, as measured by the consumers' price index (CPI), rose to 5.6 per cent in the FY '20 on annual average basis from 5.5 per cent of the previous fiscal. Meanwhile, the current account deficit is projected to be around 2.0 per cent of GDP.

<http://today.thefinancialexpress.com.bd/first-page/imf-projects-gdp-growth-rate-at-76pc-1568828947>

VAT waiver sought for contractors, suppliers

The Padma Rail Link project authority has sought exemption from Value Added Tax (VAT) for its contractors, subcontractors, suppliers and agents due to insufficient fund for payment of taxes. Revised Development Project Proposal (RDPP) doesn't have enough fund to pay VAT on behalf of the contractors. The project high-ups have sought waiver on some 13 local services availed by the contractors. Earlier, the government offered such VAT exemption benefits to the Rooppur Nuclear Power Plant project as it is another fast-track project.

<http://today.thefinancialexpress.com.bd/first-page/vat-waiver-sought-for-contractors-suppliers-1568828783>

25,000 workers deported in 9 months

Around 25,000 Bangladeshi workers were deported from different countries, about 50 per cent from Saudi Arabia, in almost nine months period of this year due to overstaying and lack of legal documents at the job destination countries. Of the total, about 1,000 were female workers. Around 12,000 Bangladeshi workers sent back home from Saudi Arabia during the period from January to September 18 while 4,500 from United Arab Emirates (UAE), 3,000 from Oman, 2,500 from Malaysia, 1,500 from Qatar and 1,000 from Maldives.

<http://today.thefinancialexpress.com.bd/trade-market/25000-workers-deported-in-9-months-1568828002>

Chemical warehouse to be set up in Tongi

Bangladesh Steel and Engineering Corporation (BSEC) has initiated a move to set up a chemical warehouse in Tongi, on the outskirts of the capital, aiming to ensure the relocation of chemical warehouses from Old Dhaka within the shortest possible time. This project apparently sidelines the Munshiganj chemical estate project, which was approved by the government to implement in between July 2018 and June 2022, spending over Tk 16.15 billion (Tk 1615.73 crore).

<http://today.thefinancialexpress.com.bd/trade-market/chemical-warehouse-to-be-set-up-in-tongi-1568828050>

Private ICDs start charging higher rates

Owners of private inland container depots (ICDs) have begun realising increased charges for container handling since Monday despite opposition from users who feared the cost of export and import would go up. On Monday morning, the ICDs increased the charges for handling of export, import and empty containers by 20 to 25 percent. But later in the evening, they revised the charges down to 12 percent. Earlier, the ICDs discarded their plan twice—on April 1 and August 1—to raise the rates, because of the request and assurances from the shipping ministry and the CPA to bring a solution soon.

<https://www.thedailystar.net/business/news/private-icds-start-charging-higher-rates-1802113>

Telecom

Government opts for 'amicable' solution

The long drawn-out conflict between the country's top two mobile operators -- Grameenphone and Robi -- and the telecom regulator over unpaid dues amounting to Tk 13,447 crore is finally heading towards an amicable conclusion after Finance Minister AHM Mustafa Kamal stepped in. The government and top mobile phone operators have reached a consensus over settling the disputed audit claims amicably. The Grameenphone, the country's largest cellphone firm by users, sat with finance minister AHM Mustafa Kamal at the Secretariat on Wednesday. The solution will be through alternative dispute resolution, or ADR system. Earlier on August 25 and August 26, mobile operators Robi and Grameenphone filed two cases with a Dhaka court, seeking permanent injunctions on the telecom regulator's audit claims of Tk 134.47 billion.

<http://today.thefinancialexpress.com.bd/first-page/government-opts-for-amicable-solution-1568828688>

Insurance

SBC posts 10pc net profit

The lone state-owned non-life insurer Sadharan Bima Corporation (SBC) fetched an approximately 10-per cent net profit after tax in the 2018 calendar year. The healthy profit is attributable to premium earnings from the government's mega development projects. SBC earned a net profit to the tune of Tk 2.33 billion in the year under review against Tk 2.12 billion in 2017. On the other hand, the profit before tax was Tk 3.25 billion in 2018 compared to Tk 3.02 in 2017. SBC underwrites Rooppur Nuclear Power Plant, Matarbari Power Plant, Single-Point Mooring of Eastern Refinery, rail line building project on Padma Bridge projects.

<http://today.thefinancialexpress.com.bd/trade-market/sbc-posts-10pc-net-profit-1568827976>

All TV channels on board Bangabandhu Satellite

The commercial potential of Bangabandhu Satellite-1 is finally coming into being more than a year after its launch as all 34 local television channels are set to start commercial transmission through it from October 2. At present, six of the 30 private channels -- Deepto TV, Somoy TV, Jamuna TV, Bijoy TV, Bangla TV and MY TV -- and the four

state-owned stations are broadcasting via the country's lone satellite, which was launched into orbit on May 12 last year under a project amounting to Tk 2,702 crore. The rest are doing test transmission from the satellite.

<https://www.thedailystar.net/business/news/all-tv-channels-board-bangabandhu-satellite-1802131>

Textile

Bangladesh leads world in green RMG production

Bangladesh is now home to the highest number of platinum rated garment factories in the world, which portrays the country's strong footing in green production, a leader of the garment makers' platform. Twenty-five Bangladeshi factories have achieved the highest certificate provided by the US Green Building Council (USGBC), a Washington-based non-profit organisation that promotes sustainability in building design, construction and operation. Six out of the top 10 LEED (Leadership in Energy and Environmental Design) certified factories worldwide are located in Bangladesh.

<https://www.thedailystar.net/business/news/bangladesh-leads-world-green-rmg-production-1802119>

Capital Market

DSE asked to submit report on two cos

The securities regulator has asked the country's premier bourse to submit a report on alleged manipulation of the share prices of two companies to the commission. The decision was taken on Wednesday at a meeting held at the office of the Bangladesh Securities and Exchange Commission (BSEC). In order to submit the report, the Dhaka Stock Exchange (DSE) will also inspect two companies namely Monno Ceramic Industries and Monno Jute Stafflers. As per the BSEC decision, the DSE will complete the inspection activities within 14 working days.

<http://today.thefinancialexpress.com.bd/stock-corporate/dse-asked-to-submit-report-on-two-cos-1568827332>

Stocks

Mercantile Bank to open Islamic window

The board of directors of Mercantile Bank Limited has approved a proposal to establish an Islamic Banking Window. The decision was taken at a meeting of board of directors of the Mercantile Bank held on Tuesday. The establishment of Islamic Banking Window, also known as Shariah-based banking system, is subject to the approval of regulatory authority and also the shareholders of the Bank in extraordinary general meeting (EGM).

<http://today.thefinancialexpress.com.bd/stock-corporate/mercantile-bank-to-open-islamic-window-1568827374>

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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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