

Bangladesh market snapshot

	Last closing
DSEX Index	4,951.74
% change	-0.14%
DS30 Index	1,766.71
% change	-0.42%
DSES Index	1,145.70
% change	0.04%
Turnover (BDT mn)	3,184.45
Turnover (USD mn)	37.91
% change	-21.49%
Market Capitalization (BDT bn)	3,751
Market Capitalization (USD bn)	44.65
% change	-0.21%

Source: Dhaka Stock Exchange

International market snapshot

	Last closing
Dow Jones Industrial Average	26,970.71
% change	+0.61%
Nikkei 225	22,081.61
% change	+0.28%
FTSE 100	7,289.99
% change	-0.02%

Source: Bloomberg

Exchange rate

Currency	BDT
USD	84.82
EUR	92.98
GBP	104.97
INR	1.20

Source: Bangladesh Bank

Money Market

Date	Call Money Rate Range	Weighted Average (%)
24-Sep-2019	4.50-5.50	5.07
23-Sep-2019	4.75-5.50	5.08

Source: Bangladesh Bank

Commodities

	Price	% Change
Brent Crude (Oil), USD/bbl	62.40	+0.02%
Gold Spot, USD/t oz	1,508.77	+0.31%
Cotton, USD/lb	60.43	-0.03%

Source: Bloomberg

Economy

Bangladesh to clock highest growth in Asia this year

The Bangladesh economy will grow at 8 percent this fiscal year, which would be the highest in Asia, as per the latest forecast of the Asian Development Bank. The forecast is close to the government target of 8.2 percent growth in fiscal 2019-20. Last fiscal year, Bangladesh pulled off 8.13 percent GDP growth. The Manila-based multilateral lender disclosed the growth forecast while releasing its 'Asian Development Outlook 2019 Update' at its office in Dhaka yesterday. "Buoyant exports, robust private consumption, higher remittance, accommodative monetary policy and ongoing reform to improve business climate and high infrastructure spending helped Bangladesh attain high growth," the report said.

<https://www.thedailystar.net/business/news/bangladesh-clock-highest-growth-asia-year-1805548>

Bank

Written-off loans rise in Q2

Loans written off by banks surged 21 percent to Tk 54,463 crore in the second quarter of the year from a quarter ago as the lenders try to clean up balance sheets and paint a rosy picture of their health. As much as Tk 674.38 crore was written-off between April and June, in contrast to Tk 557.30 crore a quarter ago, according to latest data from the Bangladesh Bank. The central bank has recently eased its write-off policy, which has encouraged banks to tidy up the balance sheet artificially, said experts. In February, the BB revised the policy to allow banks to write off default loans that have been languishing in the bad category for three years, down from five years previously. Furthermore, lenders do not have to file any case with money loan courts to write off delinquent loans worth Tk 2 lakh, up from Tk 50,000 previously.

<https://www.thedailystar.net/business/banking/news/written-loans-rise-q2-1805542>

BAD LOANS TWICE AS LARGE

The actual size of bad loans is more than double the officially recognised figure, according to a recent report of the International Monetary Fund -- a damning evidence of the fragile state of Bangladesh's banking sector. "While reported default loans do not seem exorbitant, the true situation of problem assets seems much more serious," said the Washington-based multilateral lender in its Financial Sector Stability Review on Bangladesh. The report was prepared at the request of the government. A specialised mission of the IMF's Monetary and Capital Markets department visited Bangladesh twice in the last six months for a diagnostic review of Bangladesh's banking sector and came up with 43 suggestions for reforms.

<https://www.thedailystar.net/frontpage/default-loan-in-bangladesh-is-more-than-double-reports-imf-1805437>

Stock

BTRC may waive GP-Robi's late fees

The government is considering waiving off the late fees, which made up almost half the Tk 13,447 crore claimed by the telecom regulator as unpaid dues from Grameenphone and Robi, as it engineers a swift end to the drawn-out tussle. As per rules, 15 percent compound rate is applied on late fees. Of the Tk 12,579.95 crore that Grameenphone has outstanding as per the telecom regulator's audit, Tk 6,194.30 crore is late fees. For Robi, late fees accounted for 19.45 percent of the Tk 867.24 crore claimed by the Bangladesh Telecommunication Regulatory Commission. Both the operators vehemently dispute the amounts claimed by the commission and was willing to fight the matter in court.

<https://www.thedailystar.net/business/telecom/news/btrc-may-waive-gp-robis-late-fees-1805539>

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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 %
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