

Bangladesh market snapshot

	Last closing
DSEX Index	4,699.23
% change	-1.12%
DS30 Index	1,648.95
% change	-1.16%
DSES Index	1,074.53
% change	-1.50%
Turnover (BDT mn)	3,058.96
Turnover (USD mn)	36.42
% change	18.99%
Market Capitalization (BDT bn)	3,562
Market Capitalization (USD bn)	42.41
% change	-0.89%

Source: Dhaka Stock Exchange

International market snapshot

	Last closing
Dow Jones Industrial Average	26,958.06
% change	0.57%
Nikkei 225	22,867.27
% change	0.30%
FTSE 100	7,304.94
% change	-0.27%

Source: Bloomberg

Exchange rate

Currency	BDT
USD	84.93
EUR	94.13
GBP	108.87
INR	1.20

Source: Bangladesh Bank

Money Market

Date	Call Money Rate Range	Weighted Average (%)
27-Oct-2019	3.00-5.50	4.18
24-Oct-2019	3.00-5.50	4.31

Source: Bangladesh Bank

Commodities

	Price	% Change
Brent Crude (Oil), USD/bbl	61.47	-0.16%
Gold Spot, USD/t oz	1,492.02	-0.03%
Cotton, USD/lb	65.25	+0.71%

Source: Bloomberg

Economy

Govt focuses more on bank borrowing

The government borrowed nearly Tk 280 billion from the country's banking system in more than 100 days of the current fiscal year (FY) to meet the budget deficit, partially. A falling trend in sales of national savings certificates along with a shortfall in revenue collection has led to higher bank borrowing by the government during the period under review, officials said. Meanwhile, the government's aggregate net bank borrowing stood at Tk 276.34 billion, which was more than 58 per cent of the total target, as of October 21 of FY 2019-2020, according to a Bangladesh Bank (BB)'s confidential report. Of the total, the government borrowed Tk 256.88 billion from the scheduled banks using treasury bills (T-bills) and bonds, and the remainder Tk 19.46 billion from the central bank.

<http://today.thefinancialexpress.com.bd/public/first-page/govt-focuses-more-on-bank-borrowing-1572284830>

Exports to India may double in 3yrs if trade potential utilised

Bangladesh will be able to double its export to India in three years if the former can utilise its trade potential in the northeastern Indian states, according to the India-Bangladesh Chamber of Commerce and Industry (IBCCI). Bangladesh's export to India crossed \$1 billion in the last fiscal year against imports of \$10.5 billion, tilting the balance of the bilateral trade in favour of India. "Our exports to India will reach \$2 billion within the next three years as local exporters are enjoying various trade benefits in the neighbouring country and exploring the trade potential in Northeast India," Abdul Matlub Ahmad, president of IBCCI, said yesterday. He spoke at a press conference organised to highlight the outcomes of a recent visit of a Bangladesh delegation to India.

<https://www.thedailystar.net/business/news/exports-india-may-double-3yrs-if-trade-potential-utilised-1820173>

Government to procure 200 meter-gauge railway coaches from China

The government is going to procure 200 meter-gauge railway coaches from China, at a cost of Tk927 crore, to provide modern, safe and comfortable service to passenger. The Shanghai Pudong Development Bank of China will provide Tk713 crore as loan out of the total Tk927 crore cost of the purchase. The decision was taken on Monday at a meeting of the standing committee on non-concessional loans, with Finance Minister AHM Mustafa Kamal in the chair. The minister briefed reporters at his office at Sher-e-Bangla Nagar in Dhaka after the meeting. He said it is an old project that was undertaken in 2011, and procurement of the coaches was delayed because of the unavailability of loans.

<https://tbsnews.net/economy/government-procure-200-meter-gauge-railway-coaches-china>

Telecommunication

Teletalk to get licence renewed without clearing Tk 6,000cr dues

State-run Teletalk is getting its 2G licence renewed without clearing about Tk 6,000 crore of dues, in a brazen display of favouritism by the telecom regulator. The carrier owes about Tk 5,700 crore as spectrum charge and another few hundred crore in social obligation fees and some other charges. As per rules, all dues must be cleared for licences to be renewed. Teletalk's 2G licence had expired on August 31 and Bangladesh Telecommunication Regulatory Commission has already given the operator the no-objection certificate to continue its business. Not just that, the certificate renewal will be backdated. After getting its licence in September 1, 2004 the lone local mobile carrier has been using 15.2-Megahertz (MHz) spectrum in the 900 and 1,800 bands to provide their 2G service.

<https://www.thedailystar.net/business/news/teletalk-get-licence-renewed-without-clearing-tk-6000cr-dues-1820182>

Capital Market

DSE forms body to review IPOs

The premier bourse has formed a high-profile committee to review the IPO (initial public offering) proposals in a bid to ensure quality of the listings on the country's stock exchanges. The board of the Dhaka Stock Exchange (DSE) formed the body at a meeting held at its office in the city on Monday. The initiative of the DSE came after the Bangladesh Securities and Exchange Commission (BSEC) gave an assurance on Thursday that it would evaluate the DSE's observations while approving IPO proposals. Independent director of DSE Prof Md. Masudur Rahman will head the six-member review committee, according to officials. Other members of the committee are two independent directors, Justice Siddiqur Rahman and Brigadier General Md. Mostafizur Rahman, shareholder director Minhaz Mannan Emon and the DSE managing director.

<http://today.thefinancialexpress.com.bd/public/stock-corporate/dse-forms-body-to-review-ipos-1572283562>

Stocks

Non-listed insurers to submit their listing plans within November 15

Non-listed insurance companies have been instructed to submit their planned roadmap to the stock market within November 15 this year. Following the finance minister's orders to initiate listing efforts within this year, the Insurance Development Authority (IDRA) had a meeting with representatives of 27 non-listed insurance firms on Sunday at its office. The capital market regulator Bangladesh Securities and Exchange Commission (BSEC) was represented by one of its directors. At the meeting, the companies explained the potential barriers to getting listed within such a short notice.

<https://tbsnews.net/economy/stock/non-listed-insurers-submit-their-listing-plans-within-november-15>

Eastern Bank launches two-wheeler loan scheme

The Eastern Bank Ltd for the first time in the country has introduced two-wheeler loan for people. M Khorshed Anwar, head of retail and SME banking of Eastern Bank, handed over a key to Runner Motors Ltd, which becomes the first company to sell bikes under this scheme, at an event in the capital on Sunday.

<https://tbsnews.net/economy/banking/eastern-bank-launches-two-wheeler-loan-scheme>

IPDC to focus more on digital platform-based financial service

IPDC Finance Limited, a leading non-bank financial institution (NBFI), will focus more on digital platform-based and gender-sensitive financial services in the coming days, said its top official. The financial institution will also launch a retailer financing scheme to facilitate retailers getting low-cost and collateral-free fund for their businesses by the beginning of next year and a consumer goods financing scheme by the middle of 2020. The vision was disclosed at the NBFIs 'Investors meet' held at a hotel in the capital's Gulshan area on Sunday. Mominul Islam, managing director and CEO of IPDC, Rizwan Dawood Shams, deputy managing director and head of Business Finance, and Md Kyser Hamid, deputy managing director and head of Retail Business, were present at the programme.

<http://today.thefinancialexpress.com.bd/public/stock-corporate/ipdc-to-focus-more-on-digital-platform-based-financial-service-1572283646>

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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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