

Bangladesh market snapshot

	Last closing
DSEX Index	4,949.40
% change	0.04%
DS30 Index	1,759.75
% change	-0.01%
DSES Index	1,140.21
% change	0.13%
Turnover (BDT mn)	3,042.98
Turnover (USD mn)	36.23
% change	-48.93%
Market Capitalization (BDT bn)	3,738
Market Capitalization (USD bn)	44.49
% change	-0.03%

Source: Dhaka Stock Exchange

International market snapshot

	Last closing
Dow Jones Industrial Average	26,916.83
% change	0.36%
Nikkei 225	21,885.24
% change	0.59%
FTSE 100	7,380.96
% change	-0.37%

Source: Bloomberg

Exchange rate

Currency	BDT
USD	84.50
EUR	92.12
GBP	103.87
INR	1.20

Source: Bangladesh Bank

Money Market

Date	Call Money Rate Range	Weighted Average (%)
30-Sep-2019	4.25-5.50	5.02
29-Sep-2019	4.70-5.50	5.05

Source: Bangladesh Bank

Commodities

	Price	% Change
Brent Crude (Oil), USD/bbl	59.29	+0.68%
Gold Spot, USD/t oz	1,477.35	-0.12%
Cotton, USD/lb	60.92	-0.10%

Source: Bloomberg

Economy

Q1 remittance flow rises

The inflow of remittances grew by more than 16 per cent in the first quarter (Q1) of this fiscal year (FY) as the government has announced a 2.0 per cent incentive on remittance receipts. The flow of inward remittances rose to US\$4.51 billion during the July-September period of FY 2019-20 from \$3.87 billion in the same period of the previous fiscal. The money sent home by Bangladeshis working abroad amounted to \$1.47 billion in September 2019, up by \$ 23.67 million from the previous month's level. In August last, the remittances stood at \$ 1.44 billion. It was \$1.14 billion in September 2018.

<http://today.thefinancialexpress.com.bd/last-page/q1-remittance-flow-rises-1569951673>

ADB provides \$150m for infrastructure development of two regions

The Asian Development Bank (ADB) agreed to give \$150 million as loans aiming to develop crucial infrastructure such as roads, drains and capacity in Dhaka and Khulna. To this end, ADB and the government inked an agreement to receive the financial assistance. A similar initiative, the Second City Region Development Project, was undertaken which got completed in 2018, according to ADB.

<https://thefinancialexpress.com.bd/economy/bangladesh/adb-provides-150m-for-infrastructure-development-of-two-regions-1569943449>

World Bank to provide \$500m for creating technical manpower

The World Bank (WB) will help Bangladesh develop its technical manpower through providing half a billion dollar of credit. Since Bangladesh is setting up 100 special economic zones (SEZs) and its investment in the manufacturing sector is going up, the WB came forward with the support to facilitate the country's efforts in this regard. The Ministry of Education (MoE) is going to take up a US\$ 700 - \$ 800 million worth of project titled "Accelerating and Strengthening Skills for Economic Transformation (ASSET)".

<http://today.thefinancialexpress.com.bd/trade-market/world-bank-to-provide-500m-for-creating-technical-manpower-1569950637>

Export of jute products marks sharp rise

Exports of jute and jute goods have shown a sharp rise during the July-August period of FY 2019-20 compared to the same period during the last fiscal year thanks to jute goods diversification, government policy framework, availability of quality raw materials, and better crop management. According to the Export Promotion Bureau (EPB), the export of jute sacks and bags fetched USD 15.49 million in FY2019-20 as against USD 13.82 million in FY2018-19. The growth is 12.08 per cent.

<http://www.theindependentbd.com/post/217816>

Bank & NBF

Simplifying of bank account opening process in offing

A government committee is going to recommend simplifying of the bank account opening process to bring the unbanked people under the banking network. Many people had remained unbanked due to complexities in completing the current account opening process. 80 per cent people in the country had no access to formal banking services with only 5 per cent of rural and 40 per cent of urban people holding bank accounts.

<http://www.newagebd.net/article/86310/simplifying-of-bank-account-opening-process-in-offing>

Engineering

Made in Bangladesh refrigerators dominate market

Just a decade ago Bangladesh was almost fully dependent on import to meet its demand for refrigerators. But the situation has reversed, with about 80 percent of the demand now met by locally-manufactured ones. Walton has shown the path by setting up a manufacturing plant in 2008, and in 2016 has even started manufacturing compressors, the vital component of refrigerators. Transcom, Minister, Vision, Jamuna, Singer Bangladesh, and Samsung have joined Walton: they are either manufacturing or assembling refrigerators locally. Higher electricity generation has also helped the sector to grow fast. In 2018, refrigerator sales were about 22 lakh units, up 10 percent year-on-year, according to industry players.

<https://www.thedailystar.net/business/news/made-bangladesh-refrigerators-dominate-market-1808239>

Stock

Brac Bank to get \$30m from British financier

CDC Group, the UK government's development finance institution, yesterday announced to invest \$30 million (over Tk 25 crore) in Bangladesh's Brac Bank. Bangladesh presents significant opportunities for entities like CDC Group, in financial services, infrastructure and manufacturing. The country has received just \$150 million or less than one percent of the CDC's investment portfolio of \$6 billion and the CDC expects it to significantly grow as the institution aims to double its investments over the next three to four years.

<https://www.thedailystar.net/business/banking/news/brac-bank-get-30m-british-financier-1808230>

BSEC approves rights offer of Golden Harvest

Golden Harvest Agro Industries will raise a capital worth Tk 899.32 million through rights offer for the purpose of business expansion and partial repayment of bank loans. The BSEC approved the company's proposal of rights offer on Tuesday at a meeting held at the BSEC office. As per the BSEC approval, the Golden Harvest Agro Industries will issue three rights shares against four existing shares (3R:4) at an offer price of Tk 10 each.

<http://today.thefinancialexpress.com.bd/stock-corporate/bsec-approves-rights-offer-of-golden-harvest-1569947273>

Golden Harvest Agro to invest in pizza business

Jubilant Golden Harvest Ltd is going to invest the Tk11 crore to expand its Domino's Pizza franchise business in Bangladesh. Domino's Pizza entered Bangladesh through a joint venture between Jubilant FoodWorks Ltd (JFL), an Indian food service company, and Golden Harvest QSR Ltd, a part of the Golden Harvest Group. They are operating in Bangladesh under the name, "Jubilant Golden Harvest Ltd." Golden Harvest Agro Industries, a share-market listed company – which also holds 30 percent share of Golden Harvest QSR – will invest Tk3.30 crore or 30 percent of the total Tk11 crore investment under the name Jubilant Golden Harvest Ltd.

<https://tbsnews.net/economy/golden-harvest-agro-invest-pizza-business>

AB Bank serves legal notice on Aman Feed over dues

AB Bank recently issued a legal notice on Aman Feed because the company has failed to pay the monthly instalments of a loan. The notice reads that a criminal case will be filed against the company if it fails to repay the outstanding amount within one month. Aman Feed produces poultry feed. It has taken loans worth Tk83.75 crore from AB Bank's Islamic Banking Branch at Kakrail.

<https://tbsnews.net/economy/ab-bank-serves-legal-notice-aman-feed-over-dues>

BSEC fines PLFSL sponsor, Adil Securities Tk 1 lakh each

The Bangladesh Securities and Exchange Commission on Tuesday fined Adil Securities Limited and a sponsor of People's Leasing and Financial Services Limited Tk 1 lakh each for breaching securities rules. Monowar Hossain, a sponsor of PLFSL, sold 1.58 lakh shares without prior declaration, breaching securities rules. Therefore, the market regulator fined him Tk 1 lakh and froze his beneficiary owners' account with E-Securities Limited.

<http://www.newagebd.net/article/86312/bsec-fines-plfsl-sponsor-adil-securities-tk-1-lakh-each>

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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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