

Bangladesh market snapshot

	Last closing
DSEX Index	4,708.68
% change	-1.11%
DS30 Index	1,660.89
% change	-0.87%
DSES Index	1,080.96
% change	-0.79%
Turnover (BDT mn)	2,883.69
Turnover (USD mn)	34.33
% change	-17.72%
Market Capitalization (BDT bn)	3,562
Market Capitalization (USD bn)	42.40
% change	-0.76%

Source: Dhaka Stock Exchange

International market snapshot

	Last closing
Dow Jones Industrial Average	26,788.10
% change	-0.15%
Nikkei 225	22,540.56
% change	-0.04%
FTSE 100	7,212.49
% change	+0.68%

Source: Bloomberg

Exchange rate

Currency	BDT
USD	84.80
EUR	94.28
GBP	108.90
INR	1.19

Source: Bangladesh Bank

Money Market

Date	Call Money Rate Range (%)	Weighted Average (%)
21-Oct-2019	3.50-5.50	5.00
20-Oct-2019	3.25-5.50	4.96

Source: Bangladesh Bank

Commodities

	Price	% Change
Brent Crude (Oil), USD/bbl	59.39	-0.52%
Gold Spot, USD/t oz	1,489.22	+0.10%
Cotton, USD/lb	64.56	-0.17%

Source: Bloomberg

Economy

Government moves to review effectiveness of export subsidy, prepare guidelines

The government has taken a move to review the effectiveness of existing export subsidies and prepare guidelines on offering subsidies to exporters in future. The commerce ministry has already formed a six-member committee, consisting of representatives from Bangladesh Tariff Commission, Export Promotion Bureau, Bangladesh Bank and Federation of Bangladesh Chambers of Commerce and Industry to review the existing system regarding the subsidies and prepare the guidelines. BTC member Mostafa Abid Khan is the head of the committee while the commission will act as the secretariat of the committee. The commission has sought nomination from the respective agencies for the committee. The committee will mainly prepare the guidelines for recommending alternative policy benefits in future considering the country's probable graduation from the least developed country to a developing one.

<http://www.newagebd.net/article/88458/government-moves-to-review-effectiveness-of-export-subsidy-prepare-guidelines>

ECNEC okays high-cost chancery bldg in KSA

The government on Tuesday approved a high-cost Bangladesh chancery complex construction project in the Kingdom of Saudi Arabia (KSA) along with four other projects. The Executive Committee of the National Economic Council (ECNEC) at its meeting in Dhaka approved the Tk 2.09-billion cost chancery complex project in Saudi Arabia, setting aside Tk 150 million for design and supervision consultants. The ECNEC meeting, presided over by Prime Minister Sheikh Hasina, endorsed a total of five projects at a combine cost of Tk 46.37 billion, Planning Minister M A Mannan told reporters. Out of the total cost, Tk 14.76 billion will come from the public exchequer, while the rest Tk 31.60 billion will come as project assistance, he added. The Planning Commission (PC) officials said the Ministry of Foreign Affairs (MoFA) will build the Bangladesh Chancery Complex in Saudi Arabia.

<http://today.thefinancialexpress.com.bd/last-page/ecnec-okays-high-cost-chancery-bldg-in-ksa-1571768089>

Banks & NBFIs

Phenomenal rise in industrial sector NPL

The volume of classified loans, belonging to the industrial sector, jumped by more than 48 per cent in the fiscal year (FY) 2018-19. The main reason for a big leap was attributed mainly to the addition of certain volume of rescheduled loans that turned classified again to the fresh default loans. Slower repayment by borrowers, particularly by influential ones, has also pushed up the amount of non-performing loans (NPLs) in the sector, bankers said. Non-performing loans (NPLs) in the industrial sector rose to Tk 572.01 billion in FY'19 from Tk 384.99 billion in the previous fiscal, according to the central bank's latest statistics.

<http://today.thefinancialexpress.com.bd/first-page/phenomenal-rise->

[in-industrial-sector-npl-1571767050](#)

Telecommunication

HC to pass order tomorrow

The High Court has decided to pass an order tomorrow on an appeal filed by Robi Axiata seeking an injunction on a move of Bangladesh Telecommunication Regulatory Commission (BTRC) to realise Tk 867.23 crore from the telecom operator. The HC bench of Justice Mamnoon Rahman and Justice Khijir Hayat fixed the date after a hearing on the appeal yesterday. On July 31 last year, the BTRC issued a notice asking Robi Axiata to pay Tk 867.23cr as dues. Later on, Robi filed the appeal with a lower court in Dhaka seeking an injunction on realisation of the money by the telecom regulator but the court turned down the petition.

<https://www.thedailystar.net/business/news/hc-pass-order-tomorrow-1817554>

Fuel & Power

BPDB seeks rise in bulk power tariff or subsidy

The state-run Bangladesh Power Development Board (BPDB) has recently sought permission from energy sector regulator to hike bulk electricity tariff to help reduce its loss. The BPDB in a proposal submitted to the Bangladesh Energy Regulatory Commission (BERC) requested for regulator's initiative to arrange subsidy if the latter was unwilling to allow any tariff hike, a senior official told the FE on Tuesday. The BPDB for the first time placed before the BERC two options -- tariff hike or subsidy -- to lessen its loss. On previous occasions, the BPDB had only sought hike in electricity tariff, and the BERC either hiked tariff or instructed the government to provide subsidy, he said.

<http://today.thefinancialexpress.com.bd/first-page/bpdb-seeks-rise-in-bulk-power-tariff-or-subsidy-1571767569>

Capital Market

Panicked investors send stocks to a three-year low

Stocks hit a three-year low yesterday as the cloud of pessimism in the market refuses to go away. Yesterday, DSEX, the benchmark index of the Dhaka Stock Exchange, shed 52.74 points, or 1.10 percent, to close at 4,708.68 -- the lowest since November 17, 2016. Both general and institutional investors are panicking, so almost all of them went for sell-offs, said market insiders. Moreover, some of the stock brokers and merchant banks executed forced sale as many well-performing stocks plunged below their critical level.

<https://www.thedailystar.net/business/news/panicked-investors-send-stocks-three-year-low-1817551>

ICB moots unit fund to support stock market

The Investment Corporation of Bangladesh (ICB) has made a move to float another open-ended mutual fund to support the country's stressed capital market. The initiative is part of its continuous market supportive measures. The state entity has recently submitted a proposal, among others, to float Unit Fund-2 to finance minister. As suggested, the initial

size of the fund will be Tk 30 billion and ICB will be the fund manager. Of the amount, Tk 10 billion will be collected from sponsors such as banks and financial institutions. The face value of the units will be Tk 100 each.

<http://today.thefinancialexpress.com.bd/first-page/icb-moots-unit-fund-to-support-stock-market-1571767611>

Stocks

DSE issues show-cause notice on United Power

Dhaka Stock Exchange (DSE) has issued a letter to United Mymensingh Power Ltd, one of the corporate directors of United Power Generation, asking it to explain why it has not sold shares despite announcing to do so. On August 6, the power company said it would sell one crore shares within 30 days at the prevailing market price through the DSE.

<https://www.thedailystar.net/business/news/dse-issues-show-cause-notice-united-power-1817542>

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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 %
Underweight	12 Months	Less than -5 %

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