

Bangladesh market snapshot

	Last closing
DSEX Index	6,309.75
% change	-0.01%
DS30 Index	2,146.10
% change	0.24%
DSES Index	1,364.61
% change	0.22%
Turnover (BDT mn)	7,353.57
Turnover (USD mn)	69.37
% change	-14.04%
Market Capitalization (BDT bn)	7,791
Market Capitalization (USD bn)	73.50
% change	0.01%

Source: Dhaka Stock Exchange

International market snapshot

	Last closing
Dow Jones Industrial Average	33,963.84
% change	-0.31%
Nikkei 225	32,402.41
% change	-0.52%
FTSE 100	7,683.91
% change	0.07%

Source: Bloomberg

Exchange rate

	Low (BDT)	High (BDT)
USD	110.00	110.00
EUR	117.25	117.29
GBP	135.78	135.80
INR	1.33	1.33

Source: BB

Money market

Date	Call Money Rate Range (%)	Weighted Average (%)
21-Sep-2023	6.00-7.75	6.53
20-Sep-2023	6.00-7.75	6.51

Source: BB

Commodities

	Price	% Change
Brent Crude (Oil), USD/bbl.	93.27	-0.03%
Gold Spot, USD/t oz.	1,925.23	0.27%
Cotton, USD/lb.	85.91	-0.65%

Source: Bloomberg

Macro

Bangladesh's gross forex reserves decline further to \$21.45 billion

The gross foreign exchange reserve in Bangladesh, according to International Monetary Fund guidelines, dropped further to \$21.45 billion on September 20 from \$23.18 billion on September 5. However, according to the conventional valuation by the Bangladesh Bank, the foreign exchange reserve was at \$27.33 billion on September 20.

<https://www.newagebd.net/article/213156/bangladeshs-gross-forex-reserves-decline-further-to-2145-billion>

Revenue collection up 15% in Jul-Aug

Government revenue collection in the July-August period of FY24, has increased by nearly 15 % year-on-year. Some Tk 46,233 crore was collected by the National Board of Revenue. Of this amount, Tk 17,940 crore is VAT, Tk 12,100 crore income tax while Tk 16,192 crore customs duty. Growth for each segment has been recorded at 19.34 %, 16.39 % and 8.94 % respectively.

<https://www.thedailystar.net/business/economy/news/revenue-collection-15-jul-aug-3424906>

Govt's bank borrowing in check

The government's borrowing from the banking system has remained in check so far in the ongoing fiscal year. In July and August, the first two months of 2023-24, the government did not borrow any money from the central bank; rather, it returned Tk 22,088 crore. The total borrowing from the banking sector stood at Tk 101,826 crore in FY23.

<https://www.thedailystar.net/business/economy/news/govts-bank-borrowing-check-3426321>

Sri Lanka repays BD all \$200m loan

Sri Lanka has repaid its lender, Bangladesh, the entire \$200 million loan taken through a currency-exchange agreement called SWAP more than two years ago. The island nation also paid total interest amounting to over \$25.537 million. Sri Lanka paid its third and final instalment amounting to \$51.044 million (principal plus interest) on 21st September.

<https://today.thefinancialexpress.com.bd/first-page/sri-lanka-repays-bd-all-200m-loan-1695488484>

BB plans raft of measures to fight economic crisis

The Bangladesh Bank is going to take a raft of policy measures to tackle inflationary pressure, volatility in the foreign exchange market and growing non-performing loans (NPLs) and give a much-needed boost to the forex reserve. As part of the move, the banking regulator is preparing a policy stance on how to address the four areas.

<https://www.thedailystar.net/business/economy/news/bb-plans-raft-measures-fight-economic-crisis-3426346>

NBR, IMF to hold meetings on Oct 5

A delegation of the International Monetary Fund is scheduled to hold meetings with the National Board of Revenue officials on October 5 to discuss progress and measures adopted for boosting tax revenue in line with conditions for the IMF's \$4.7 billion loan to Bangladesh, according to the NBR.

<https://www.newagebd.net/article/213067/nbr-imf-to-hold-meetings-on-oct-5>

Capital Market

Russia lets Bangladesh trade on its currency market

Russia has approved a list of more than 30 friendly and neutral countries whose banks and brokers will be allowed to trade on the Russian currency as well as derivatives markets. The Russian embassy in Bangladesh shared the information yesterday.

<https://www.thedailystar.net/business/global-economy/news/russia-lets-bangladesh-trade-its-currency-market-3426331>

Institutional investors demand return of Tk43cr stuck in Asiatic Lab's IPO subscription

Institutional investors who bid for Asiatic Laboratories' initial public offering (IPO) shares through book-building method have demanded their deposits back as the subscription process has been held up by the securities regulator since January this year. Around Tk43.18 crore of 92 institutional investors who participated in the bidding is stuck in a Dhaka Stock Exchange (DSE) account for around a year.

<https://www.tbsnews.net/economy/stocks/institutional-investors-demand-return-tk43cr-stuck-asiatic-labs-ipo-subscription>

Stock

British American Tobacco BD to build Tk150cr bonded warehouse

British American Tobacco Bangladesh Company has decided to build a general bonded warehouse worth Tk150 crore in its Savar factory to improve productivity and meet the growing demand. The company already has similar facilities far away from its Savar factory, which results in high additional transportation costs.

<https://www.tbsnews.net/economy/stocks/british-american-tobacco-bd-build-tk150cr-bonded-warehouse-705814>

AB Bank to issue bond of Tk 500cr

AB Bank Limited has decided to issue a Tk 500 crore bond. The board of the private commercial lender has approved the tier-II equivalent subordinated bonds named "AB Bank Subordinated Bonds-V".

<https://www.thedailystar.net/business/economy/banks/news/ab-bank-issue-bond-tk-500cr-3424841>

ADN Telecom to buy Tk2.3cr land for business expansion

ADN Telecom Limited is set to acquire a 235-decimal plot of land in Gazipur at a cost of Tk2.3 crore. The company informed that the

purpose of acquiring the said land is future business expansion. But the detailed plan of expansion has not been disclosed by the company yet.

<https://www.tbsnews.net/economy/stocks/adn-telecom-buy-tk23cr-land-business-expansion-704882>

Closure ordered for Janata Exchange in Italy amid mounting losses

Janata Exchange in Italy has been facing financial losses for 13 consecutive years, which were covered by tapping into the foreign reserves of its parent company, the state-owned Janata Bank. The central bank last month directed Janata Bank to close its loss-making subsidiary. Janata Bank spent approximately Tk45.62 crore to cover the exchange house's losses in 12 years from 2009 to 2020.

<https://www.tbsnews.net/economy/banking/closure-ordered-janata-exchange-italy-amid-mounting-losses-704978>

Insurance

Insurers to be brought under corporate governance guideline

The government is going to formulate corporate governance guidelines to ensure compliance with applicable laws and regulations and good governance in the operation of insurance companies in Bangladesh. The Insurance Development and Regulatory Authority (Idra) published the draft guidelines on its website on September 19.

<https://www.thedailystar.net/business/economy/news/insurers-be-brought-under-corporate-governance-guideline-3424881>

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We calculate our target price by weighting DCF, DDM, SOTP, asset-based and other relative valuation methods, and applying appropriate premiums/ discounts and/or other relevant adjustments.

Expected absolute returns are calculated as the % 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 -5% and +15%
Underweight	12 Months	Less than -5%

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