

Bangladesh market snapshot

	Last closing
DSEX Index	6,285.70
% change	-0.34%
DS30 Index	2,128.36
% change	-0.41%
DSES Index	1,363.72
% change	-0.40%
Turnover (BDT mn)	5,359.81
Turnover (USD mn)	50.56
% change	-23.52%
Market Capitalization (BDT bn)	7,750
Market Capitalization (USD bn)	73.11
% change	-0.18%

Source: Dhaka Stock Exchange

International market snapshot

	Last closing
Dow Jones Industrial Average	34,576.59
% change	0.22%
Nikkei 225	32,544.04
% change	-0.19%
FTSE 100	7,478.19
% change	0.49%

Source: Bloomberg

Exchange rate

	Low (BDT)	High (BDT)
USD	110.00	110.00
EUR	117.69	117.72
GBP	137.10	137.17
INR	1.32	1.33

Source: BB

Money market

Date	Call Money Rate Range (%)	Weighted Average (%)
10-Sep-2023	5.50-7.75	6.34
07-Sep-2023	5.50-7.75	6.28

Source: BB

Commodities

	Price	% Change
Brent Crude (Oil), USD/bbl.	90.46	-0.21%
Gold Spot, USD/t oz.	1,923.24	0.22%
Cotton, USD/lb.	86.18	0.31%

Source: Bloomberg

Macro

Forex reserve slips below \$22b

Bangladesh's foreign exchange reserves slipped below \$22 billion yesterday after the central bank cleared import bills amounting to \$1.36 billion through the Asian Clearing Union (ACU) and sold US dollars to banks. After the adjustment of the payment, the gross forex reserves stood at around \$21.70 billion yesterday as per the International Monetary Fund (IMF) manual.

<https://www.thedailystar.net/business/news/forex-reserve-slips-below-22b-3415896>

Food inflation surges to 12.54% in August

Food inflation in Bangladesh surged to 12.54% in August, official figures showed. It was 9.76% in the previous month. Non-food inflation, however, eased to 7.95% last month from 9.47% in July. The overall inflation increased by 23 basis points to 9.92% in August. Average inflation stood at 9.69% in July.

<https://www.thedailystar.net/business/news/food-inflation-surges-1254-august-3415346>

Taka marks sharpest fall in 46 years

The devaluation of the local currency taka against the US dollar has continued after losing its value by 26.1 % in FY23, the highest in 46 years. The Bangladeshi currency also lost 1.8 % more in value against the dollar until September 7 in FY 24, as the interbank exchange rate for the dollar went up to Tk 110 from Tk 108.

<https://www.newagebd.net/article/211851/taka-marks-sharpest-fall-in-46-years>

Bank and NBFI

Deposits in banks rise in July

Bank deposits in the country rose to Tk 16,06,990 crore in July 2023, marking an increase from Tk 15,94,584 crore in the preceding month. Term deposits witnessed an uptick, rising from Tk 13.95 lakh crore in June to Tk 14.15 lakh crore in July. Conversely, demand deposits experienced a slight dip, decreasing from Tk 1.99 lakh crore in June to Tk 1.91 lakh crore in July.

<https://www.newagebd.net/article/211838/deposits-in-banks-rise-in-july>

Stock

Renata to launch Parkinson's drug in Germany in widening footprint in EU

Renata Ltd has received approval for one of its brands to export medicines to Germany. The permission enables its subsidiary company in Europe, Renata Pharmaceuticals Ireland to launch its first brand in Germany - Cabergoletten (Cabergoline 1mg and Cabergoline 2mg), a drug used to treat symptoms of Parkinson's disease.

<https://today.thefinancialexpress.com.bd/stock-corporate/renata-to-launch-parkinsons-drug-in-germany-in-widening-footprint-in-eu->

[1694367594](#)

Trust Bank to buy 2.21cr shares of Trust Axiata Digital

Trust Bank Limited (TBL) has decided to buy 2.21 crore ordinary shares of Trust Axiata Digital Ltd from Axiata Digital Services Sdn Bhd. By purchasing these shares, Trust Bank will take 100 % control over the management of Trust Axiata Digital Ltd.

<https://www.thedailystar.net/business/economy/banks/news/trust-bank-buy-221cr-shares-trust-axiata-digital-3415731>

Summit teams up with Indian firm

Summit Alliance Port Limited (SAPL) has signed a memorandum of understanding with Pristine Logistics & Infraprojects Limited, one of the largest integrated rail terminal operators in India, to form a joint venture to improve rail logistics in Bangladesh. SAPL is an off-dock service provider and handles around 22.50 % of the country's containerised exports and 10.50 % of the import volume.

<https://www.thedailystar.net/business/economy/news/summit-teams-indian-firm-3415836>

Phoenix Finance's loss rises fourfold in 2022, leading to no dividend

Phoenix Finance & Investments' losses increased fourfold year-on-year in 2022 due to higher provisioning and shrinking income from the ailing stock market. The company endured losses for two consecutive years, amounting to Tk 1.73 billion.

<https://today.thefinancialexpress.com.bd/stock-corporate/phoenix-finance-loss-rises-fourfold-in-2022-leading-to-no-dividend-1694367617>

Fuel and Power

BD opts to export electricity to Nepal in winter

A country with hugely surplus installed capacity but compelled to import power to meet summer demand for insufficient generation, Bangladesh now opts for exporting electricity to Nepal in low-demand winter. Bangladesh, India, and Nepal will have to sign a trilateral deal to start transmitting electricity to and from Nepal.

<https://today.thefinancialexpress.com.bd/first-page/bd-opts-to-export-electricity-to-nepal-in-winter-1694369826>

Textile

Cotton waste the new cash cow

Cotton waste is turning into a new cash cow for Bangladesh as it is increasingly being sold abroad although local garment exporters are in favour of retaining and recycling it. Cotton waste exports marked a significant rise of 76.77 % year-on-year to fetch \$84.85 million in the July-August 2023 period. Last fiscal year, Bangladesh exported \$411.12 million worth of cotton waste.

<https://www.thedailystar.net/business/economy/news/cotton-waste-the-new-cash-cow-3415906>

Capital Market

DSE yet to launch ETF after 8 months of approval

The Dhaka Stock Exchange is yet to introduce any exchange-traded fund on the stock market despite gaining Bangladesh Securities and Exchange Commission's approval for launching two ETFs eight months ago. In December 2022, the BSEC granted approval for the two ETFs namely LB Multi Asset Income ETF and FAM DG Bengal Tiger ETF.

<https://www.newagebd.net/article/211837/dse-yet-to-launch-etf-after-8-months-of-approval>

Other

Reverse flow taking e-commerce startups to overseas business havens

Three years have elapsed with little gains since the government, in June 2020, made a decision allowing 100% FDI in e-commerce. However, Bangladesh failed to make a headway and instead, a reverse trend created in which many of the e-commerce businesses have shifted their ventures to business hubs like Dubai, Singapore and Malaysia to tap their market potential. FDI in Bangladesh declined by 9.77 % in 2022 compared to that of the previous year.

<https://today.thefinancialexpress.com.bd/first-page/reverse-flow-taking-e-commerce-startups-to-overseas-business-havens-1694369723>

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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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Head Office

Gulshan

Bulus Center

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Extensions of Head Office

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Bashundhara +880 1718 106 217	Mirpur-1 +880 1713 205 723	Mirpur-12 +880 1911 197 188	Banasree +880 1701 205 075	Uttara +880 1913 128 156

Branch Offices

Chattogram +880 1701 205 038	Sylhet +880 1713 205 760
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Digital Booths

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Feni +880 1324 243 210	Khatungonj +880 1713 205 742	Chawkbazar +880 1817 206 965	Madhobdi +880 1324 243 156	
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