

**Directors of 41 cos non-compliant on shareholding**

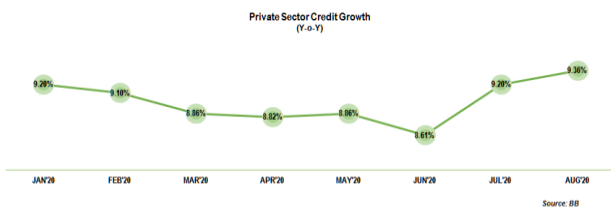
Sponsor and Directors of total forty-one listed companies are yet to comply with the 30% shareholding requirement rule made by the securities regulator. Following the stock market debacle in 2010, Bangladesh Securities and Exchange Commission (BSEC) issued a directive for sponsors or promoters and directors of a listed company requiring them to hold minimum 30% shares of the paid-up capital of the company at all time. The incumbent commission found 44 listed companies which had not complied with the rule and notified them on July 29, 2020 to ensure the minimum requirement of shareholding by the sponsors and directors within 60 days which ended on 27 September last. BSEC recently informed that only 3 out of the 44 companies complied with the directive as on September 28, 2020. BSEC showed determination to strictly enforce the provision that also requires the directors of the listed companies to hold minimum 2% of the shares individually. The Commission recently declared casual vacancy in the posts of 17 directors of 9 listed companies who failed to comply with the minimum shareholding requirement for individual directors.

**BB lowers rate for special investment funds**

Bangladesh Bank (BB) reduced the interest rate on borrowing by banks for capital market investment under special investment funds. Earlier on February 10, 2020, BB allowed all the scheduled banks to form special funds of Tk2b to invest in the capital market in a bid to infuse liquidity in the market. According to the circular, banks can create the fund from their own source or by taking loan at 5% interest from the central bank through repurchase agreement (repo) against Treasury Bills (T-Bills) and Treasury Bonds (T-Bonds) they hold. However, BB revised down the interest rate by 0.25% to 4.75% for banks to create special fund in the latest circular issued on September 24, 2020. The amendment also included that in case of investment in the listed corporate bond/debentures and sharia compliant bond *Sukuk* with fixed coupon, the coupon rate cannot be below 10% and 8% respectively. To invest in listed bonds/debentures and *Sukuk* with variable interest rate, the last interest paid by the respective security prior the next coupon payment period shall be at least the interest rate of 10-year Treasury Bond plus 1% and 0.50% respectively. The central bank allowed banks to invest under the special fund in excess of the capital market exposure limit till February 09, 2025. Around 16 banks reportedly formed total fund of about Tk18.50b so far to invest in the capital market.

**Stimulus packages drive private credit up in Aug**

Private sector credit increased by 9.36% (Y-o-Y) in the second month of FY2020-21 riding on the back of disbursements of stimulus packages for economic revival from the impact of the Covid-19 pandemic. The growth was 9.20% (Y-o-Y) in July last, according to Bangladesh Bank (BB) figures. The outstanding credit disbursed to the private sector by the banking system stood at Tk11.01 trillion in August, up from Tk10.95 trillion at the end of July 2020, BB reported. However, private credit growth is still way behind the monetary target of 14.8% set by the central bank for FY2020-21.

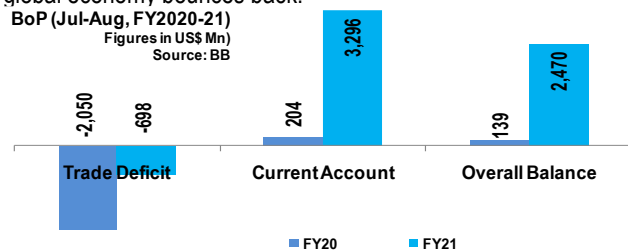


**BB extends loan classification moratorium**

Bangladesh Bank (BB) extended the deadline for loan status classification by banks for the third time, now up to December 31, 2020 as Covid-19 induced business gloom appears to linger longer. The previous deadline ended on September 30, 2020. Earlier, the central bank introduced the loan moratorium facility on March 19 in anticipating an economic downturn due to the pandemic which affected almost all sectors of the economy. According to the BB circular, all installments between January 01-December 31, 2020 against term loans, including agriculture and small credits and investments would be considered as deferred and the installment size and numbers would be re-fixed from the inception of next year. Banks will have to maintain the credit status of a borrower as on January 30, 2020 until the new deadline ends.

**Current account surplus swells to US\$3.30b**

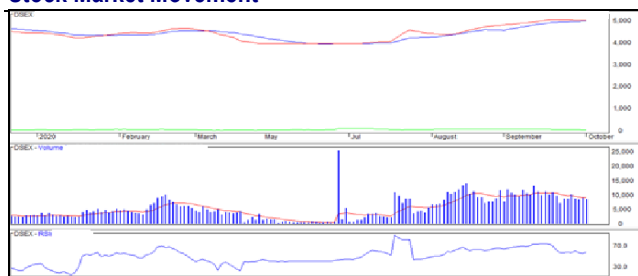
Current account surplus under the Balance of Payments (BoP) account soared to US\$3.30b during the July-August period of FY2020-21 as against US\$204m in the corresponding period of the previous fiscal year, despite the global economic slowdown reeling from the Covid-19 pandemic. According to the statistics of Bangladesh Bank (BB), trade deficit narrowed significantly by 66% (Y-o-Y) to US\$698m in the period owing to the contraction of import bills. During the period, import payments squeezed by 14% (Y-o-Y) to US\$7.43b while export receipts rose by 2.39% (Y-o-Y) to US\$6.73b. However, remittance played a pivotal role in boosting current account balance as inward remittance swelled by 50% (Y-o-Y) to US\$4.56b in the period. At the end of the period, overall balance of BoP registered a surplus of US\$2.47b as against US\$139m in the same period of last fiscal year. Foreign exchange reserve stood at US\$39.04b, up 19.11% (Y-o-Y) at the end of August, which is sufficient to settle import payments for 8.4 months. However, economists have cautioned that there is no scope for complacency seeing comfortable picture in BoP account. Experts have urged the central bank and the government to tackle the situation with utmost care until the global economy bounces back.



**NBR lags Jul-Aug target by Tk107.84**

Revenue collection by the National Board of Revenue (NBR) fell short of target by Tk107.84b in the first two months of the FY2020-21 mainly due to the adverse impact of the pandemic on the economy. However, revenue mobilization registered a minimal growth of 0.17% in the two months, thanks to the growth in August after a massive decline in the previous month. According to the provisional figures from the NBR, the taxmen managed to collect Tk301.63b in July-August against the target of Tk409.47b set for the period. In August, the NBR garnered Tk154.06b, up 7.85% (Y-o-Y) from Tk142.85b a year earlier on the back of gradual reopening of the economy. Tax collection from the customs wing grew by 4.55% (Y-o-Y) during the two months while receipts from the two other wings, Value-Added Tax (VAT) wing and income tax wing, slipped by 2.41% (Y-o-Y) and 1.18% (Y-o-Y) respectively.

## Stock Market Movement



### Global Markets

		This Week	Last Week	+/- %
S&P 500	↑	3,348.44	3,298.46	1.52
FTSE 100	↑	5,902.12	5,842.67	1.02
Nikkei 225	↓	23,029.90	23,204.62	-0.75
SENSEX	↑	38,697.05	37,388.66	3.50
KSE 100	↓	40,070.83	41,701.23	-3.91

### DSE Indicators

		This Week	Last Week	+/- %
DSE Broad Index	↑	4,995.32	4,978.78	0.33
Total Turnover, Tk	↓	45,547,881,425.00	45,737,270,393.00	-0.41
Market Capital, Tk	↑	3,439,138,566,499	3,356,214,129,249	2.47
No of Issue Gain		148	125	
No of Issue Loss		192	244	
No of Unchanged Issues		19	10	

### Top Gainers

#### Weighted avg. Closing Price (Tk)

Company	Last Week	This Week	Change %	Turnover (Tk)
Walton Hi-Tech	567.00	813.80	43.53	27,860,000
SEML Lecture EMF	7.70	9.90	28.57	151,599,000
Paramount Textile	52.80	67.80	28.41	1,123,506,000
PHP First MF	5.30	6.80	28.30	109,320,000
EBL First MF	5.70	7.20	26.32	62,299,000
EBL NRB MF	5.50	6.90	25.45	66,930,000
Trust Bank First MF	5.60	6.80	21.43	279,410,000
Union Capital Ltd.	7.40	8.90	20.27	38,295,000
CAPM IBBL MF	11.20	13.40	19.64	132,371,000
Hamid Fabrics	20.90	24.90	19.14	224,444,000

### Top Losers

#### Weighted avg. Closing Price (Tk)

Company	Last Week	This Week	Change %	Turnover (Tk)
Tung Hai Knitting	4.90	4.20	-14.29	11,145,000
Ring Shine Textiles	7.80	6.70	-14.10	168,809,000
C & A Textiles Limited	4.30	3.80	-11.63	32,968,000
Familytex (BD) Ltd.	4.50	4.00	-11.11	32,855,000
United Insurance	53.50	47.60	-11.03	105,887,000
Federal Insurance	23.50	21.00	-10.64	387,232,000
Mercantile Insurance	33.10	29.60	-10.57	137,648,000
Delta Life Insurance Co.	84.00	75.20	-10.48	94,187,000
GQ Ball Pen Industries	216.50	194.00	-10.39	145,318,000
BD Industrial Fin.	7.10	6.40	-9.86	3,690,000

### Sectoral Index & Turnover

Sector	Sectoral Index			Turnover (Tk.M)		
	This Week	Last Week	Change %	This Week	Last Week	Change %
Bank	383.73	379.42	1.13	2,999.58	2,998.51	0.04
Cement	243.11	251.42	-3.31	521.10	710.70	-26.68
Ceramic	577.71	586.88	-1.56	334.02	798.59	-58.17
Engineering	5,136.43	4,197.15	22.38	2,596.84	3,381.69	-23.21
Food & Al.	3,693.08	3,709.74	-0.45	1,048.06	1,129.29	-7.19
Fuel & Pow.	3,979.06	3,943.31	0.91	1,395.13	1,812.46	-23.03
Insurance	1,984.59	2,027.48	-2.12	14,536.64	13,838.46	5.05
IT	388.89	383.94	1.29	693.96	885.89	-21.66
Jute	1,234.35	1,266.87	-2.57	102.40	183.31	-44.14
Misc.	1,226.04	1,218.96	0.58	2,207.66	2,231.11	-1.05
Mutual Fund	515.84	460.75	11.95	2,920.61	2,291.83	27.44
NBFI	1,147.25	1,099.95	4.30	4,512.00	4,026.41	12.06
Paper	7,308.02	7,433.03	-1.68	196.27	381.68	-48.58
Pharma	1,253.81	1,247.44	0.51	4,624.76	4,904.87	-5.71
Service	1,020.95	1,023.83	-0.28	153.19	202.06	-24.19
Tannery	598.56	603.02	-0.74	188.90	233.60	-19.14
Telecom	3,085.87	3,124.10	-1.22	420.53	1,120.88	-62.48
Textile	1,273.13	1,262.65	0.83	4,086.51	3,306.72	23.58
Travel & Leis	589.97	592.15	-0.37	177.43	243.20	-27.04

## Technical Talk

Dhaka bourse bounced back in the last week after a single-week break as the optimistic investors went on bargain hunting for large-cap issues. The regulatory moves and interest rate cut on stock investment fund buoyed the market sentiment in the last week. Among the major sectors, Engineering increased by 22.38% over the week followed by Mutual Fund 11.95%, NBFI 4.30%, IT Sector 1.29%, Fuel & Power 0.91% and Textile 0.83%.

DSE Broad Index (DSEX) stood at 4,995.32 points increased by 16.54 points or 0.33% from the previous week. Total turnover reached at Tk45547.88m which was 0.41% lower than the previous week. Market capitalization increased by 2.47% and stood at Tk3439.14b (\$40.51b) at the weekend against Tk3356.21b. DSE 30 increased by 9.52 points or 0.56% and closed at 1,710.72 points against 1,701.20 points. Last week's weighted average Market PE was 13.66 which was 13.30 previous week.

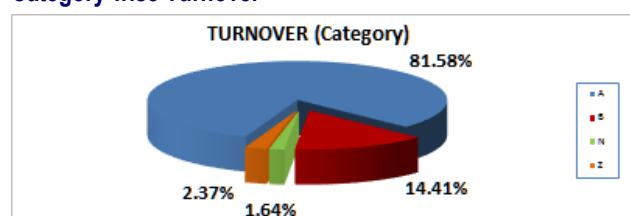
### Top Turnover Companies

Company	Volume	Value (Tk)	% of total
Beximco Pharma	15,227,566	1,796,245,000	3.94
Beximco	65,301,712	1,636,484,000	3.59
Sandhani Life	36,290,577	1,256,735,000	2.76
Paramount Textile	17,832,307	1,123,506,000	2.47
BRAC Bank Ltd.	23,054,113	951,524,000	2.09
Nitol Insurance Co.	11,909,068	841,691,000	1.85

### Top 10 Market Capital

			In million
GP	446,949	RENATA	92,568
Walton Hi-Tech	246,523	ICB	76,437
BATBC	201,366	Marico	68,440
Square Pharma	184,100	Berger Paint	64,488
United Power	160,786	Brac Bank	54,891

### Category wise Turnover



### Commodity Price

	This Week	Last Week	Change %
Gold (USD/ft.oz.)	1,908.40	1,894.90	0.71
Silver (USD/ft.oz.)	24.19	23.12	4.65
Brent Crude Oil (USD/bbl.)	40.93	41.94	-2.41

### Exchange Rate

	This Week		Last Week		Change %	
	TT	BC	TT	BC	TT	BC
USD	84.90	84.95	84.90	84.95	0.00	0.00
EUR	101.48	101.54	100.75	100.81	0.72	0.72
GBP	112.02	112.09	110.41	110.48	1.46	1.46
AUD	61.13	61.16	59.97	60.01	1.92	1.92
JPY	0.81	0.81	0.81	0.81	0.26	0.26
CAD	64.15	64.19	63.75	63.79	0.63	0.63
SAR	22.75	22.76	22.75	22.76	0.00	0.00

Based on Standard Chartered selling rates to public in Taka. Notes: USD-US Dollar, GBP-Britain Pound, AUD-Australian Dollar, JPY-Japanese Yen, CAD-Canadian Dollar, SAR-Saudi Riyal.

### Last Public Offerings

Company	Subscription Period	Offer Price	IPO (M.Tk)
Associated Oxygen Ltd.	Sep 10-16, 2020	10	150
Dominage Steel	Oct 19-25, 2020	10	300