

Stock Market

Dhaka stocks drop amid rising turnover

New Age, September 10, 2018

- Dhaka stocks dropped on Sunday after gaining in the previous two sessions amid an increased turnover as investors went for selling shares to book some profits. Large capitalised sectors including financial ones were hit, while the textile sector resumed rally, market operators said.
- DSEX, the key index of the Dhaka Stock Exchange, lost 0.43 per cent, or 24.46 points, to close at 5,549.78 points on Sunday after gaining 21.43 points in the previous two sessions.
- The market began with slight gain that, however, started to dip sharply as investors went for profit taking share sales, especially from the financial sectors after a marginal gain in the previous session, market operators said. The average share prices of non-bank financial institutions and banks dropped by 1.7 per cent and by 1.2 per cent respectively.
- Out of the 30 traded bank scrips, 24 declined, just two advanced, and four remained unchanged, while out of the 23 traded NBFIs, 20 dropped, just one advanced and two remained unchanged. Market experts said that the scam-hit banking sector and lack of confidence over the market ahead of the national elections became heavy drags on the market. The turnover at the bourse got momentum after the Chinese consortium of Shenzhen and Shanghai stock exchanges entered the DSE board after completing all procedures of purchasing the bourse's 25 per cent shares. The share prices of VFS Thread Dyeing Limited soared by 213 per cent on its first trading day. Each share of the company that was issued at Tk 10, closed at Tk 30.70 at the DSE.
- The share prices of the energy sector gained 2.9 per cent for another session, while the textile sector returned to positive run, gaining 2.1 per cent on Sunday.

<http://www.newagebd.net/article/50235/dhaka-stocks-drop-amid-rising-turnover>

InterContinental opens Thursday

The Daily Star, September 10, 2018

- InterContinental Dhaka, formerly known as Ruposhi Bangla and Sheraton, is scheduled to open on September 13 after four years of renovations. First estimated in 2014 to take Tk 344 crore, the refurbishment cost soared nearly 60 percent to finally stand at Tk 550 crore.
- State-run public company Bangladesh Services Ltd (BSL), the hotel's owner, is providing the finance with its own funds and bank loans. The makeover was supposed to be complete by December 2015 but it took two and a half more years.
- There are now 46 less rooms while the remaining 226 have had their size enlarged. Of them, 201 are premium or deluxe rooms, 10 deluxe suites, five superior suites, five diplomatic suites and five presidential suites.
- Moreover, two ballrooms and seven meeting rooms provide more than 21,000 square feet for conferences and exhibitions.
- There are five restaurants, including all-day dining with buffet, lobby café, club bar, pool bar and restaurant and specialty restaurant. Other features include a temperature-controlled swimming pool, gymnasium, steam room, sauna and spa treatment rooms.
- In February 2012, BSL signed a 30-year deal with InterContinental Hotels Group, paving the way for the British multinational hospitality company to undertake the hotel's management. There is an option for renewing the agreement two more times, each for five-year tenure.

- InterContinental had run the iconic Dhaka hotel from 1966 to 1983 before Sheraton took over. Though Sheraton's agreement ended in December 2008, BSL requested it to continue operations until April 30, 2011 for the ICC Cricket World Cup.

<https://www.thedailystar.net/business/news/intercontinental-opens-thursday-1631782>

Economy

NBR withdraws VAT on sales of computer accessories

New Age, September 10, 2018

- The National Board of Revenue has lifted value-added tax on sales of computer accessories to keep the items affordable to consumers. NBR on September 3 issued a statutory regulatory order (SRO), signed by its chairman Md Mosharraf Hossain Bhuiyan, giving exemption to traders from payment of VAT on computer parts.
- Traders pay the VAT, known as trade VAT at the rate of 4%, after collecting from consumers. Officials said that public and private stakeholders including ICT ministry and Bangladesh Computer Samity had been demanding withdrawal of VAT on the sector.
- The rate of VAT, however, is 15 per cent if traders claim rebate on previously paid VAT. Computer parts had been enjoying VAT exemption until June this year when NBR imposed VAT on the sector through the budgetary measures for the current fiscal year 2018-2109.
- NBR in February 2016 gave VAT exemption on trading of computer accessories. On the other hand, computer and spares have been enjoying exemption from paying VAT at import and production stages. Importers pay only 5 per cent customs duty and 5 per cent advance trade VAT on the items. Bangladesh Computer Samity immediately after the announcement of budget demanded continuation of exemption of VAT on computer accessories.

<http://www.newagebd.net/article/50234/nbr-withdraws-vat-on-sales-of-computer-accessories>

Govt to set up 2 more leather industrial estates

New Age, September 10, 2018

- The government is going to establish two more leather industrial estates in Chittagong and Rajshahi to utilise the untapped potential of leather and leather goods both at domestic and export market. Industries minister Amir Hossain Amu on Sunday said that Bangladesh Small and Cottage Industries Corporation was now working on selecting the possible sites for the estates.
- The ministry took the initiative at the instruction of prime minister Sheikh Hasina after implementation of first leather estate at Savar, Amu said at the ninth meeting of executive committee on National Council of Industrial Development held at the ministry's conference room in Dhaka.
- ECNCID members including Energy and Mineral Resource Division secretary Abu Hena Md Rahmatul Munim, agriculture secretary Md Nasiruzzaman, industries secretary Md Abdul Halim, Federation of Bangladesh Chambers and Commerce and Industries president Shafiul Islam Mohiuddin, representatives from other ministries, trade bodies and associations attended the meeting.

- Earlier in November 2017, Hasina announced the plan to take ahead the country's leather sector. The government chose Chittagong and Rajshahi to decentralise the tannery and leather industries which were now mostly Dhaka-centric.
- The planned estates would be environment-friendly to attract both local and foreign investors, officials said. That leather sector was the second largest export earner after apparel products in the country. Export earnings from leather and leather goods stood at \$1.08 billion in the fiscal year 2017-2108. They hoped export earnings would rise significantly in coming years when Savar leather estates would be fully operative and other

<http://www.newagebd.net/article/50231/govt-to-set-up-2-more-leather-industrial-estates>

International

Germany's current account surplus hits global high

The Daily Star, September 10, 2018

- Germany's current account surplus is set to remain the world's largest this year despite increased trade tensions, the Ifo institute said on Monday, in an estimate likely to renew criticism of Chancellor Angela Merkel's fiscal policies.
- The International Monetary Fund and the European Commission have for years urged Germany to do more to lift domestic demand and imports as a way to reduce global economic imbalances and stimulate growth elsewhere. Since his election, U.S. President Donald Trump has also criticised Germany's export strength.
- Germany's current account surplus — which measures the flow of goods, services and investments — will remain the world's largest for the third year running in 2018 at \$299 billion, followed by Japan with \$200 billion, according to Ifo estimates.
- The Netherlands are likely to come in third with a current account surplus of roughly 110 billion dollars while China will not be among the top three surplus countries due to a surge in imports and lower returns from capital held abroad, Ifo said.

<https://www.thedailystar.net/news/business/global-business/germanys-current-account-surplus-hits-global-high-1623604>

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BASL Research Team

Mr. Shariful Alam Chowdhury Head of Research & Investments	tushar@basl-bd.com, tusharbd@bloomberg.net
Mr. Shohidul Islam Research Analyst	shohidul@basl-bd.com, shohidulbd@bloomberg.net
Tanzin Naher Research Associate	tanzin@basl-bd.com
Mr. Monir Hossain Research Associate	monir@basl-bd.com

BASL Networks

Head Office Hadi Mansion (7th Floor) 2, Dilkusha Commercial Area Dhaka-1000, Bangladesh Phone: +88-02-9515826-28 Fax: +88-02-9567884	Modhumita Extension Office 158-160 Modhumita Building (5th Floor) Motijheel C/A, Dhaka-1000 Phone: +88-01819118893	Dhanmondi Branch Meher Plaza (1st Floor), House # 13/A, Road # 05 Dhanmondi, Dhaka - 1207 Phone: +8802-8624874-5	Mirpur Branch Nishi Plaza, plot # 01, Avenue-04, Section-06, Block-C Mirpur, Dhaka - 1216 Phone: +88-02-9013841
Uttara Branch House # 79/A, (4th Floor), Road # 07, Sector # 04 Uttara Model Town, Dhaka- 1230 Phone: +88-02-8958371	Banani Branch Nur Empori, Plot # 77 (1st Floor), Road No # 11, Banani, Dhaka-1213 Phone: +8801716180767	Khulna Branch 28, Sir Iqbal Road (1st Floor) Khulna Phone: +88-041-731208-9	

For International Trade & Sales, please contact **Mr. Sumon Das, Chief Executive Officer**. Please call at +8801993111666, +880 02 9515826, Ext:101 at Business hour.

For further query, write to us at research@basl-bd.com.