

## Stock Market

### Stocks keep gaining on budget hope

The Financial Express, June 10, 2019

- Stocks extended the gaining Monday, with turnover hitting one month high, as investors continued to show their buying appetite on large-cap stocks amid budgetary expectations. The market opened on upbeat note and the positive trend sustained until end of the session amid modest volatility.
- At the end of the session, DSEX, the prime index of the Dhaka Stock Exchange (DSE), settle at 5,431, gaining 28.62 points or 0.52 % over the previous session. Two other indices also closed higher. The DS30 index, comprising blue chips, advanced 12.63 points to finish at 1,901 and the DSE Shariah Index gained 11.94 points to close at 1,232.
- Turnover, another important indicator of the market, also rose to one month high to BDT 4.84 bn, which was 59 % higher than the previous session's turnover of BDT 3.04 bn. A total number of 119,481 trades were executed in the day's trading session with trading volume of 131.13 mn securities.
- The market capitalisation of the DSE rose to BDT 3,990 bn on Monday, from BDT 3,967 bn in the previous session. The gainers took a modest lead over the losers as out of 351 issues traded, 210 advanced, 102 declined and 39 issues remained unchanged on the DSE trading floor.
- United Power topped the turnover chart with 649,517 shares worth BDT 234 mn changing hands. The other turnover leaders were Khulna Power, BRAC Bank, BATBC and National Life Insurance Company. Safko Spinning Mills was the day's best performer, posting a gain of 9.69 % while AIBL First Mutual Fund was the worst loser, losing 9.75 %.

<http://thefinancialexpress.com.bd/stock/stocks-keep-gaining-on-budget-hope-1560160866>

### BSEC seeks opinion on public issue rules

The Financial Express, June 10, 2019

- The securities regulator has sought public opinion on the draft amendment to the public issue rules. The Bangladesh Securities and Exchange Commission (BSEC) will receive public opinion till June 17. After getting the public opinion, the securities regulator will give its final approval to the amendment of the rules.
- On May 30 last, the BSEC approved the draft amendment which included some provisions, including a three-year lock-in period for all the shareholders mentioned in the IPO (initial public offering) prospectus of a company.
- As per the draft amendment, a three-year lock-in period will be imposed on the shares of a company, held by all the shareholders mentioned in its IPO prospectus. The lock-in period will be counted from the date of the company's debut trading instead of publication of its draft prospectus.
- According to another revised provision, a non-listed company will not be allowed to float IPO without utilising the previous funds raised through private placements. A listed company will not be allowed to go for public issues, such as - rights offers and RPO (repeat public offering), without completing utilisation of the previous funds raised through public issues, including IPO.

- The securities regulator has also imposed the condition of making minimum amount of investment by eligible investors (EIs) in the secondary market to avail the IPO quota. The amount of minimum investment will be mentioned in the consent letter for every public issue.

<http://thefinancialexpress.com.bd/stock/bsec-seeks-opinion-on-public-issue-rules-1560141914>

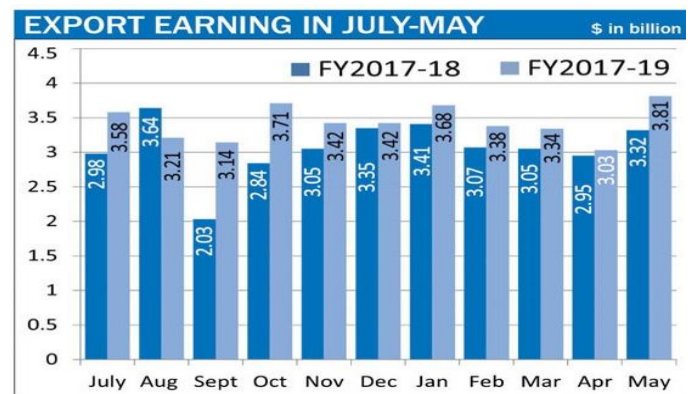
## Economy

### Export earnings hit record \$3.8b in May

Post \$37.75 bn in July-May riding on RMG sector

New Age, June 11, 2019

- Bangladesh's exports fetched \$3.81 bn in May this year, which was the single-month highest in the country's history riding on the good performance of readymade garment products.
- The overall export earnings in July-May period of the current financial year (2018-19) grew by 11.92 % to \$37.75 bn from \$33.72 bn in the same period of FY18. Export earnings from the RMG sector in July-May of FY19 increased by 12.82 % to \$31.73 bn from \$28.13 bn in the same period of FY18.
- Earnings from woven garments grew by 13.13 % to \$16.05 bn from \$14.18 bn in the same period of the last fiscal year. Knitwear export grew by 12.50 % to \$15.68 bn from \$13.94 bn.
- Earnings from home textile export in July-May of FY19 fell by 2.69 % to \$800.85 mn from \$800 mn in the same period of the previous fiscal year. Export earnings from agriculture products grew by 40.30 % to \$854.46 mn from \$609.01mn.
- Export earnings from leather and leather goods fell by 5.53 % to \$943.83 mn in July-May of FY19 from \$999.07 mn in the same period of FY18. Export earnings from leather-footwear increased by 8.96 % to \$557.41 mn while other leather products fetched \$228.24 mn with a 28.33-% negative growth in the period.



<http://www.newagebd.net/article/74913/export-earnings-hit-record-38b-in-may>

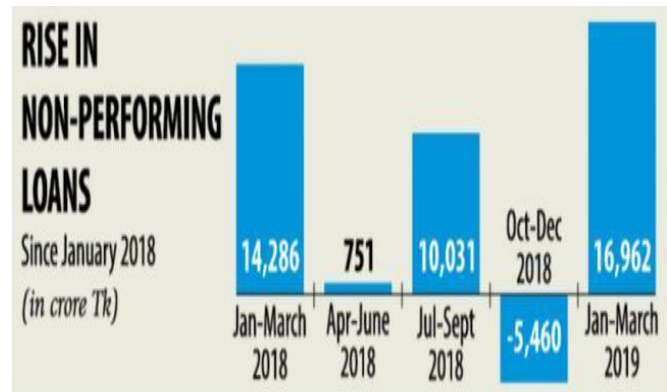
### Bad loans soar

BDT 16,962cr added in Jan-March this year; total amount stands at BDT 1,10,874cr

The Daily Star, June 11, 2019

- The record was broken as the first quarter figures for this calendar year, released by the Bangladesh Bank yesterday, revealed that BDT 16,962 crore of classified loans were added to the tally, which was another record.

- Now defaulted loans account for 11.87 % of total outstanding loans, up from 10.30 % in December 2018. In March 2018, the %age was 10.78, according to the central bank.
- At the turn of the year, defaulted loans totalled BDT 93,911 crore. But as rumours started spreading that the central bank plans to extend a host of facilities to loan defaulters, many stopped paying instalments hoping to avail the benefits.
- As per the new policy, defaulters would be allowed to reschedule their classified loans by providing only 2 % down payment, instead of the existing 10-50 %. A maximum of 9 % interest rate would be levied on the rescheduled loans, lower than the existing 12-16 %. The time for repayment was also generously set to 10 years with a grace period of another year.
- The Bangladesh Bank data shows that more than 52 % of the defaulted loans were with eight state-run banks. As of this March, the eight banks had BDT 58,667 crore defaulted loans, up by 9.69 % from the previous three months.



<https://www.thedailystar.net/frontpage/bangladesh-bank-reports-defaulted-loans-soar-1755172>

## Plastic goods manufacturers eye bigger share in global market

New Age, June 11, 2019

- The plastic goods sector, which has tremendous potential to capture a chunk of the global market, will flourish further if a specialised industrial zone and modern recycling system could be established for producing environment-friendly products, according to business insiders.
- The country's plastic goods industry is booming due to availability of raw materials at a cheaper rate, government policy support, manufacturing efficiency and production of diversified goods, they said.
- Besides, China has moved towards high-tech industries, creating a massive chance for Bangladeshi plastic goods exporters to raise their share in the global market for plastics, expected to reach USD 721.14 bn by 2025, according to a new report by Grand View Research, Inc.
- According to the latest statistics of the Export Promotion Bureau, the export earnings from plastic products in the first 10 months of the current fiscal increased by 23.6 % over the corresponding figure during the last fiscal.
- The export of plastic goods during July-April period of the 2018-2019 fiscal was \$100.35 mn, against \$81.19 mn dollar during the corresponding period of 2017-2018, according to EPB data.

<http://www.newagebd.net/article/74960/plastic-goods-manufacturers-eye-bigger-share-in-global-market>

## International

### China exports increase despite US tariffs, imports sink most in 3yrs

New Age, June 10, 2019

- China's exports unexpectedly returned to growth in May despite higher US tariffs, but imports fell the most in nearly three years in a further sign of weak domestic demand that could prompt Beijing to step up stimulus measures.
- Some analysts suspected Chinese exporters may have rushed out shipments to the United States to avoid new tariffs on \$300 bn of goods that president Donald Trump is threatening to impose in a rapidly escalating trade dispute.
- But Monday's better-than-expected export data is unlikely to ease fears that a longer and costlier US-China trade war may no longer be avoidable, pushing the global economy towards recession. China's May exports rose 1.1 % from a year earlier, compared with market expectations for a modest decline, customs data showed.
- Analysts polled by Reuters had expected May shipments from the world's largest exporter to have fallen 3.8 % from a year earlier, after a contraction of 2.7 % in April. While China is not as dependent on exports as in the past, they still account for nearly a fifth of its gross domestic product.

<http://www.newagebd.net/article/74919/china-exports-increase-despite-us-tariffs-imports-sink-most-in-3yrs>

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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

## 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 call at +8801993111666, +880 02 9515826, Ext: 101 at Business hour. For further query, write to us at [research@basl-bd.com](mailto:research@basl-bd.com).