

## Bangladesh market snapshot

	Last closing
DSEX Index	4,452.93
% change	0.43%
DS30 Index	1,513.35
% change	0.07%
DSES Index	999.83
% change	0.27%
Turnover (BDT mn)	3,189.96
Turnover (USD mn)	37.98
% change	6.06%
Market Capitalization (BDT bn)	3,396
Market Capitalization (USD bn)	40.42
% change	0.20%

Source: Dhaka Stock Exchange

## International market snapshot

	Last closing
Dow Jones Industrial Average	28,538.44
% change	+0.27%
Nikkei 225	23,656.62
% change	-0.76%
FTSE 100	7,542.44
% change	-0.59%

Source: Bloomberg

## Exchange rate

Currency	BDT
USD	84.90
EUR	94.90
GBP	111.04
INR	1.18

Source: Bangladesh Bank

## Money market

Date	Call Money Rate Range	Weighted Average (%)
30-Dec-2019	4.50-5.50	5.07
29-Dec-2019	3.00-5.50	4.94

Source: Bangladesh Bank

## Commodities

	Price	% Change
Brent Crude (Oil),	66.00	-1.00%
Gold Spot, USD/t oz	1,518.20	+0.06%
Cotton, USD/lb	69.05	-0.73%

Source: Bloomberg

## Economy

### Cut in lending rates to 9.0pc from Apr 01

Top managements of the country's banks, particularly the private commercial banks (PCBs), have agreed to bring down their interest rates on all loans, except on credit cards, at 9.0 per cent from the existing level from April 01, 2020, instead of January 01. The meeting also decided that the interest rate on deposits will be brought down to maximum 6.0 per cent instead of the existing level from April 01. The government had decided to allow the state entities to deposit 50 per cent of their funds with the PCBs, up from the previous ceiling of 25 per cent, to minimise the cost of funds in banking sector.

<https://thefinancialexpress.com.bd/trade/cut-in-lending-rates-to-90pc-from-apr-01-1577764716>

### Govt borrows 85% of the fiscal target in five months

In the first five months of this fiscal year, net government borrowing from the banking system was Tk40,163 crore, which is 85 percent of fiscal target. In FY20, the government set a revenue collection target of Tk3 lakh 25 thousand 600 crore. National Board of Revenue has collected Tk65,096 crore till October - Tk20,220 crore short of the target.

<https://tbsnews.net/economy/government-borrows-85-percent-fiscal-target-five-months>

### Rice export to get cash incentive

The government will give cash incentives for rice export to enhance its competitiveness at the international level and to create new markets. However, the commerce ministry is yet to decide how much incentive rice exporters will get. Currently, agricultural products receive 20 percent cash incentive, and rice exports may also get the same.

<https://tbsnews.net/economy/agriculture/rice-export-get-cash-incentive>

## Banks and NBFI

### PCBs' operating profits see 'slower growth' in 2019

The operating profits of the country's private commercial banks (PCBs) witnessed a 'slower growth' in the outgoing calendar year (2019) because of a rising trend in classified loans in the banking sector. Most of the banks, however, maintained growth in their operating profits, despite a declining trend in foreign trade, private sector credit growth, and interest rate spread.

<https://today.thefinancialexpress.com.bd/first-page/pcbs-operating-profits-see-slower-growth-in-2019-1577814660>

## Textile

### RMG exporters demand 9pc lending rate from today

Country's readymade garment exporters on Tuesday demanded that the government implement single-digit lending rate from today to

save the apparel sector from the existing crisis. On behalf of RMG and textile sectors, Bangladesh Garment Manufacturers and Exporters Association president Rubana Huq made the demand in a letter to finance minister AHM Mustafa Kamal. The demand was made following the implementation of the much-talked-about single-digit lending rate was on Monday once again deferred by another three months following a request from the bank owners.

<http://www.newagebd.net/article/95213/rmg-exporters-demand-9pc-lending-rate-from-today>

### Capital Market

#### Foreign investment withdrawn from Dhaka stocks for 2nd year

The net foreign investment at Dhaka Stock Exchange remained negative for the second year in 2019 due mainly to low investors' confidence in the market, gloomy economic reports and volatile financial sector. The net foreign sales were Tk 488 crore in 2019 after the investors had withdrawn Tk 593 crore in the previous year. The foreign investment became negative for the first time in 2018 after 2009-10 when the market crashed.

<http://www.newagebd.net/article/95214/foreign-investment-withdrawn-from-dhaka-stocks-for-2nd-year>

### Stock

#### BSEC allows MTB to float Tk 500cr bond

Bangladesh Securities and Exchange Commission on Tuesday allowed Mutual Trust Bank Limited to float non-convertible subordinated bond worth Tk 500 crore. As per the BSEC approval, the bank will float unsecured, unlisted non-convertible subordinated bond worth Tk 500 crore. The face value of each unit of the bond will be Tk 1 crore and the bond will be fully redeemable in seven years. Only corporate bodies, corporate institutions and other eligible investors will be allowed to subscribe the bonds through private placement.

<http://www.newagebd.net/article/95217/bsec-allows-mtb-to-float-tk-500cr-bond>

#### Rupali to issue Tk 1,000cr bond

Rupali Bank's board of directors has decided to raise fund through issuing coupon bearing non-convertible perpetual bond worth Tk 1,000 crore through private placement. The fund will be raised to meet additional Tier-I revised regulatory capital framework for bank in line with Basel-III subject to the approval from authorities concerned.

<https://www.thedailystar.net/business/news/rupali-issue-tk-1000cr-bond-1847869>

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Buy	12 Months	More than +15%
Neutral/ Hold	12 Months	Between +15 % and -5 %
Underweight	12 Months	Less than -5 %

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