

Bangladesh market snapshot

	Last closing
DSEX Index	4,481.51
% change	0.27%
DS30 Index	1,525.04
% change	0.07%
DSES Index	1,026.79
% change	-0.15%
Turnover (BDT mn)	4,646.74
Turnover (USD mn)	55.32
% change	5.70%
Market Capitalization (BDT bn)	3,413
Market Capitalization (USD bn)	40.63
% change	0.13%

Source: Dhaka Stock Exchange

International market snapshot

	Last closing
Dow Jones Industrial Average	28,256.03
% change	-2.09%
Nikkei 225	22,955.16
% change	-1.08%
FTSE 100	7,286.01
% change	-1.30%

Source: Bloomberg

Exchange rate

Currency	BDT
USD	84.95
EUR	94.25
GBP	112.16
INR	1.19

Source: Bangladesh Bank

Money market

Date	Call Money Rate Range	Weighted Average (%)
30-Jan-2020	4.50-5.50	5.04
29-Jan-2020	4.50-5.50	5.04

Source: Bangladesh Bank

Commodities

	Price	% Change
Brent Crude (Oil), USD/bbl	56.22	-0.71%
Gold Spot, USD/t oz	1,580.29	-0.56%
Cotton, USD/lb	66.79	-1.05%

Source: Bloomberg

Economy

July-Jan inflow of remittance rises by 21pc

The flow of inward remittances grew by more than 21 per cent in the first seven months of this fiscal year (FY) on the back of incentives being provided by the government. The inflow of remittances reached US\$ 11.04 billion during the July-January period of FY 2019-20, as against \$9.09 billion for the same period of FY '19, according to the central bank's latest data. The government's incentive along with depreciating mode of the local currency against the US dollar has helped boost the inflow of remittances during the period under review, bankers said.

<https://today.thefinancialexpress.com.bd/last-page/july-jan-inflow-of-remittance-rises-by-21pc-1580667048>

<https://www.thedailystar.net/business/news/remittance-floating-uphill-1862845>

<https://www.dhakatribune.com/business/2020/02/02/remittance-hits-1-64-billion-in-january>

<https://tbsnews.net/economy/remittance-slows-january-41451>

Govt's net bank borrowing may hit Tk 600b mark

The government's net bank borrowing during the current month would be around Tk 46 billion, officials said. The net bank borrowing had reached Tk 508.42 billion until January 15 of the current fiscal year 2019-20, according to a BB's internal report. Such borrowing may well cross the Tk 600 billion mark at the end of the current fiscal, sources expressed the fear. The ministry of finance is now working on a revised bank borrowing target for FY '20, in view of the falling trend in sales of national savings instruments, an official familiar with the debt-management activities told the FE on Sunday.

<https://today.thefinancialexpress.com.bd/first-page/govts-net-bank-borrowing-may-hit-tk-600b-mark-1580665621>

China coronavirus epidemic poses a threat to BD trade

Bangladesh's trade and economy may suffer badly due to the ongoing Coronavirus contagion in China, as the former is highly dependent on the world's second largest economy for its industrial raw materials and finished goods. Nearly 28 per cent of the country's import comes from China, followed by India, nearly 14 per cent. China supplies mostly fabrics and garment accessories to local clothing manufacturers, on which Bangladesh's major export sector is highly dependent, sector insiders told the FE. More than 40 per cent of its textile and textile-related goods come from China. Nearly 30 per cent machinery comes from there, according to the Bangladesh Bank statistics.

<https://today.thefinancialexpress.com.bd/first-page/china-coronavirus-epidemic-poses-a-threat-to-bd-trade-1580665689>

Bangladesh to get \$4.2bn from development partners

Development partners said they would provide \$4.2 billion to the country at the Bangladesh Development Forum (BDF) held on January 29 and 30, Finance Minister AHM Mustafa Kamal told reporters at a press briefing on Sunday. Bangladesh will get \$1.2 billion in the form of a grant from the Green Climate Fund, which will be disbursed in the next four years. <https://tbsnews.net/environment/bangladesh-get-42bn-development-partners-41435>

US offers agri export credit guarantee to Bangladesh importers

The US government on Sunday launched a programme for extending export credit guarantee to facilitate import of US agricultural products by Bangladeshi businesses. According to USDA officials, the programme offers \$5 billion in credit guarantees worldwide each year to support commercial export sales of US agricultural goods to markets, like Bangladesh, that have sufficient financial strength. <https://www.newagebd.net/article/98429/us-offers-agri-export-credit-guarantee-to-bangladesh-importers>

Call for removing NTBs to boost SA regional trade

Economists at a conference session on Sunday called for removing non-tariff barriers (NTBs) to boost trade among the South Asian (SA) countries and strengthen the region's integration with global trade. Unified policies and removal of sensitive lists of products are also essential for enhancing the regional trade and global integration, they said at a session of the two-day SANEM annual economists' conference (SAEC) 2020 at Brac Centre Inn in the city. <https://today.thefinancialexpress.com.bd/trade-market/call-for-removing-ntbs-to-boost-sa-regional-trade-1580662055>

Capital Market

Valuation of seven state firms by Apr

The government has asked seven state-owned energy firms to complete the valuation of their assets in two months for the divestment of shares in the bourses. The directive was issued as part of the government's efforts to boost supplies of good shares in the stock market, finance minister A H M Mustafa Kamal told reporters on Sunday in the city. "We want to bring the companies in the stock market as soon as possible," he said.

<https://today.thefinancialexpress.com.bd/first-page/valuation-of-seven-state-firms-by-apr-1580665749>

<https://www.thedailystar.net/business/news/new-promise-stocks-1862818>

<https://www.newagebd.net/article/98425/7-soes-asked-to-revalue-asset-by-2-months-for-share-offloading>

Bank and NBFI

Bankers again request Bangladesh Bank to keep small firms out

Bankers on Sunday again urged the Bangladesh Bank to keep small enterprises outside the purview of single-digit lending rate

implementation. ABB chairman and Eastern Bank managing director and chief executive officer Ali Reza Iftekhar said that bringing interest rates on small loans down to single digit would be difficult, as the cost of lending in this sector was very high. He said that most of the banks that lent money to the small enterprises would find the single digit interest rate difficult to apply, as they lent money mostly to the non-government organisations.

<https://www.newagebd.net/article/98426/bankers-again-request-bangladesh-bank-to-keep-small-firms-out>

<https://www.dhakatribune.com/business/2020/02/02/abb-keep-small-enterprises-outside-9-lending-scheme>

Stock

Allegation brought against S S Steel

Shore Cap Holdings Limited, a private limited company has brought allegation against a listed steel company's involvement in its placement share forgery. At a press conference held on Sunday at Dhaka Reporters' Unity, the Shore Cap Holdings Limited alleged the listed steel company S. S. Steel has also not implemented the regulator's 'instruction' earlier issued to 'resolve' the issue.

<https://today.thefinancialexpress.com.bd/stock-corporate/allegation-brought-against-s-s-steel-1580664822>

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Recommendation Type	Holding period (if not otherwise mentioned)	Absolute Return Potential
Buy	12 Months	More than +15%
Neutral/ Hold	12 Months	Between +15 % and -5 %
Underweight	12 Months	Less than -5 %

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