

Bangladesh market snapshot

	Last closing
DSEX Index	4,465.90
% change	-0.30%
DS30 Index	1,519.23
% change	-0.46%
DSES Index	1,029.32
% change	-0.20%
Turnover (BDT mn)	4,206.01
Turnover (USD mn)	50.07
% change	-7.33%
Market Capitalization (BDT bn)	3,408
Market Capitalization (USD bn)	40.57
% change	-0.51%

Source: Dhaka Stock Exchange

International market snapshot

	Last closing
Dow Jones Industrial Average	29,290.85
% change	+1.68%
Nikkei 225	23,803.19
% change	+2.07%
FTSE 100	7,482.48
% change	+0.57%

Source: Bloomberg

Exchange rate

Currency	BDT
USD	84.95
EUR	93.82
GBP	110.70
INR	1.19

Source: Bangladesh Bank

Money market

Date	Call Money Rate Range (%)	Weighted Average (%)
04-Feb-2020	4.40-5.50	5.04
03-Feb-2020	4.50-5.50	5.03

Source: Bangladesh Bank

Commodities

	Price	% Change
Brent Crude (Oil), USD/bbl	56.23	+0.95
Gold Spot, USD/t oz	1,554.54	-0.10%
Cotton, USD/lb	68.06	+0.81%

Source: Bloomberg

Economy

JS passes bill on use of state bodies' idle money

The Jatiya Sangsad (JS) passed on Wednesday a bill allowing the autonomous organisations and agencies to deposit their surplus fund with the public exchequer. Finance Minister AHM Mostafa Kamal steered the bill titled 'Deposition of the Surplus Money of Self-Governed Agencies including Autonomous, Semi-Autonomous, Statutory Government Authorities and Public Non-Financial Corporations into the Government Exchequer Bill, 2020,' in a bid to use the surplus money for funding public projects. As of September last year, 61 autonomous bodies and agencies had a surplus fund to the tune of over Tk 2.12 trillion (2.12 lakh crore).

<https://today.thefinancialexpress.com.bd/first-page/js-passes-bill-on-use-of-state-bodies-idle-money-1580925454>

Bangladesh eyes \$50b Saudi investment

Bangladesh is expecting up to \$50 billion worth of investments from oil-rich Saudi Arabia, but officials are unsure when the investments will materialise. Both countries will sit together next week to discuss issues such as prioritising the projects and other critical bottlenecks. Riyadh has asked for data and information on prevailing investment and commercial opportunities in the private sector, and procedures and capital protection in Bangladesh for Saudi investors. Saudi company AL-Bawani and its partners want 1,000 hectares of land where they will develop infrastructure to attract industries and foreign investment. A memorandum of understanding has already been signed in this regard.

<https://tbsnews.net/economy/bangladesh-eyes-50b-saudi-investment-42181>

Working in the shadows, outside NBR's lens

Foreign nationals working in various sectors across Bangladesh are illegally remitting out around Tk26,000 crore per year, as revealed by a report of Transparency International Bangladesh (TIB). In the research findings published on Wednesday, TIB said, "Information collected from multiple sources have revealed that at least 2.5 lakh foreign nationals from 44 countries are working in Bangladesh through legal and illegal means.

<https://tbsnews.net/economy/working-shadows-outside-nbrs-lens-42263>

Foreigners can now remit money home after liquidation

The Bangladesh Bank has introduced a policy for the first time that allows foreign shareholders of a company to remit money to their countries in case their company winds up. Foreigners can now take their money away from Bangladesh by paying liabilities here, said a circular issued by the central bank yesterday.

<https://tbsnews.net/economy/banking/foreigners-can-now-remittance-money-home-after-liquidation-42261>

Qatar reopens labour market for Bangladeshis

Qatar has reopened its labour market for Bangladeshi workers after a closure for several months, reports UNB. Secretary General of Bangladesh Association of International Recruiting Agencies (BAIRA) Shameem Ahmed Chowdhury Noman said the Qatar labour market is open for Bangladeshis as the country withdrew its ban. Expressing his satisfaction over the decision, he said Bangladesh could be able to send 0.2-0.3 million workers to Qatar.

<https://today.thefinancialexpress.com.bd/first-page/qatar-reopens-labour-market-for-bangladeshis-1580925485>

Bank and NBFIs

CL percentage to drop to single-digit by year-end (Sonali Bank's MD hopes)

The percentage of Sonali Bank Limited's classified loan (CL) will come down to single-digit by the end of this year, its Managing Director (MD) and Chief Executive Officer (CEO) Md. Aatur Rahman Prodhan said on Wednesday.

<https://today.thefinancialexpress.com.bd/last-page/cl-percentage-to-drop-to-single-digit-by-year-end-1580926528>

Textile

63 garment factories shuttered in 2019

About 63 ready-made garment (RMG) factories operating under the Bangladesh Garment Manufacturers and Exporters Association were closed in 2019, leaving over 32,582 RMG workers without a job, said Commerce Minister Tipu Munshi in Parliament yesterday. Of the 2200 knitwear factories working under the Bangladesh Knitwear Manufacturers and Exporters Association, 1,280 factories did not renew their membership last year and are probably no longer in operation. However, those factories could once again begin production if given work orders from importing countries, he added.

<https://www.thedailystar.net/business/news/63-garment-factories-shuttered-2019-1864102>

Food and Allied

Check tea smuggling to protect local producers

As smuggling of tea into the country through border points continues to harm local producers, the ministry of commerce (MoC) has urged the cabinet division to take necessary measures to contain such illegal activities through intensifying surveillance in border areas, officials said. It has also suggested launching mobile court drives in markets in border areas and not allowing the trading of the neighbouring country's tea in border haats, they added. The MoC has also asked the home ministry to instruct the Border Guard Bangladesh (BGB) to take necessary action to check tea smuggling, they mentioned.

<https://today.thefinancialexpress.com.bd/trade-market/check-tea-smuggling-to-protect-local-producers-1580927204>

Capital Market

Maiden 'impact investment' MF launch next month (Tk 250m fund will target RMG workers)

The country's first-ever "impact investment"-focused open-ended mutual fund (MF) will be launched next month (March), targeting the ready-made garment (RMG) sector workers. ICL, an asset management company under Impress Group, said on Wednesday that the Esquire-ICL Apparel Fund will be introduced to provide an investment opportunity to the country's around 5.0 million RMG workers with return. The initial size of the fund is Tk 250 million.

<https://today.thefinancialexpress.com.bd/last-page/maiden-impact-investment-mf-launch-next-month-1580926560>

Stock

Shwapno under spotlight: BSEC serves show cause notices to all DSE directors, MD

Stocks market regulator, Bangladesh Securities and Exchange Commission (BSEC), has served show cause notices to all the directors of Dhaka Stock exchange (DSE) and its managing director for a trifling matter. The commission also served the notice to its Chief Regulatory Officer (CRO), a top Commission official said. The BSEC on January 27 served the notices, asking the board members to appear in a hearing on Sunday and explain why actions should not be taken against them for their roles, in questions. The move from the securities regulator made many wonders who wanted to know the motives behind the harsh step. Earlier on July 21, 2019, BSEC formed an inquiry committee to look into the turmoil situation in the stock market. The committee found links of the country's prime bourse with the unusual market fall.

<https://www.dhakatribune.com/business/2020/02/05/shwapno-under-spotlight-bsec-serves-show-cause-notices-to-all-dse-directors-md>

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Expected absolute returns are calculated as the percentage of difference between our target price and latest close price. Stock recommendations are based on absolute upside (downside) and have a 12-month horizon. Please note that future price fluctuations could lead to a temporary mismatch between upside/downside for a stock and our recommendation.

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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