

## Bangladesh market snapshot

	Last closing
DSEX Index	4,281.44
% change	-1.17%
DS30 Index	1,436.27
% change	-1.08%
DSES Index	972.98
% change	-1.03%
Turnover (BDT mn)	3,274.62
Turnover (USD mn)	38.98
% change	-12.87%
Market Capitalization (BDT bn)	3,307
Market Capitalization (USD bn)	39.36
% change	-0.91%

Source: Dhaka Stock Exchange

## International market snapshot

	Last closing
Dow Jones Industrial Average	28,583.68
% change	-0.42%
Nikkei 225	23,114.64
% change	-1.96%
FTSE 100	7,573.85
% change	-0.02%

Source: Bloomberg

## Exchange rate

Currency	BDT
USD	84.90
EUR	95.06
GBP	111.81
INR	1.18

Source: Bangladesh Bank

## Money market

Date	Call Money Rate Range (%)	Weighted Average (%)
06-Jan-2020	2.90-5.50	4.48
05-Jan-2020	3.00-5.50	4.57

Source: Bangladesh Bank

## Commodities

	Price	% Change
Brent Crude (Oil), USD/bbl	69.34	+1.57%
Gold Spot, USD/t oz	1,590.98	+1.05%
Cotton, USD/lb	69.32	-0.73%

Source: Bloomberg

## Economy

### Inflation eases to 5.75% in December

The general point-to-point inflation rate eased last month as it came down by 0.30 percentage point to 5.75 percentage point in December, 2019. The general point to point inflation rate was 6.05 percentage point in November, 2019. The planning minister said the general point to point inflation rate declined by 0.30% last month from the previous month mainly because of the availability of winter vegetables, fishes and with the good supply of rice.

<https://www.dhakatribune.com/business/economy/2020/01/07/inflation-eases-to-5-75-in-december>

### Trade deficit tapering off

Trade deficit narrowed 79.51 percent in November to \$1.06 billion from the previous month on the back of sliding imports -- a worrying development as it suggests of sluggishness of the economy. November's figures were down 19.70 percent from a year earlier, according to data from the Bangladesh Bank. During the period, imports declined 17 percent from a month earlier to \$4.06 billion and exports nearly 1 percent to \$3 billion.

<https://www.thedailystar.net/business/news/trade-deficit-tapering-1851055>

### ADP execution 26pc in H1

The government agencies' execution of projects in the first half of this fiscal is poor as they spent only 26 per cent of the annual development programme (ADP). They utilised 27 per cent of the Tk 1.80-trillion ADP outlay in the corresponding period (July-December) in fiscal year (FY) 2018-19, according to officials. In the same period of FY '18 and FY '17, the ADP implementation rates were recorded at 27 per cent each.

<https://today.thefinancialexpress.com.bd/last-page/adp-execution-26pc-in-h1-1578419951>

### Corporate tax receipt grows by 13.5pc in H1

The corporate tax collection grew by 13.49 per cent in the first half of the current fiscal year 2019-2020 compared with that in the same period of last fiscal year 2018-2019 due to a rise in tax payment by banking and some other sectors. Large taxpayers unit (income tax) of the National Board of Revenue collected Tk 8,200 crore in corporate income tax in July-December of FY20 against Tk 7,225 crore in the same period of FY19. The unit, however, faced a shortfall of corporate tax collection by Tk 567 crore of the target of Tk 8,767 crore set for the period as collection from some large commercial banks declined in FY20.

<https://www.newagebd.net/article/95928/corporate-tax-receipt-grows-by-135pc-in-h1>

### Integrated savings tools policy in the offing

The government is close to formulating a new policy on national savings instruments with setting an investment ceiling of Tk 10 million on three schemes, according to Department of National Savings. The three schemes are: 5-year Bangladesh Sanchayapatra, 3-monthly profit-bearing Sanchayapatra and Poribar Sanchayapatra (Family Savings Certificate). However, the government has raised the ceiling on savings tools to Tk 15 million for its employees including pensioners, it said.

<https://today.thefinancialexpress.com.bd/trade-market/integrated-savings-tools-policy-in-the-offing-1578418185>

**Bank & NBF****H1 corporate taxes from large units miss target by Tk 5.67b**

At least five large commercial banks paid less in corporate tax in the last fiscal year than that of the previous year, thus, adding to the woes of the National Board of Revenue (NBR). The five were among the top nine highest corporate tax-paying banks in the country. The banks are Islami Bank, National Bank, Agrani Bank, BRAC Bank and Sonali Bank.

<https://today.thefinancialexpress.com.bd/first-page/h1-corporate-taxes-from-large-units-miss-target-by-tk-567b-1578419500>

**Islamic Finance's Tk 300cr bond gets nod**

The stock market regulator has approved a proposal of Islamic Finance and Investment Ltd to raise Tk 300 crore by issuing Mudaraba redeemable non-convertible subordinated bonds. Banks, corporates, insurance companies, non-bank financial institutions and any eligible investors would be allowed to buy the bond through private placement. The bond will have a tenure of seven years and the proceeds will be used for business expansion, loan repayment and other purposes. The offer price will be Tk 25 lakh per unit.

<https://www.thedailystar.net/business/news/islamic-finances-tk-300cr-bond-gets-nod-1851043>

**Textile****Apparel exports finally get promised cash incentive**

All garment exports from Bangladesh will receive 1 percent special incentive on their shipment to all markets after the government yesterday made effective the much-awaited cash support announced in the budget for fiscal 2019-20. The incentive for the apparel and textile exporters will be effective retrospectively from July 1 last year, the central bank said in a notice. The central bank yesterday also widened the coverage of the incentive by including terry towel and specialised textile.

<https://www.thedailystar.net/business/news/apparel-exports-finally-get-promised-cash-incentive-1851052>

**Govt sets target to export \$50b RMG in FY '21**

The government has set a target of exporting \$50 billion readymade garment (RMG) in 2020-21 fiscal year (FY '21), Secretary of Ministry of Textiles and Jute Lokman Hossain Mia said at a press conference in the capital on Tuesday, reports BSS. He said the \$50 billion RMG export target has been set in line with the government's commitment to enhance earnings from this sector which is also manifested in the ruling party's election manifesto.

<https://today.thefinancialexpress.com.bd/stock-corporate/govt-sets-target-to-export-50b-rmq-in-fy-21-1578419308>

**Food & Allied****Akij invests Tk300cr to produce hygienic mango juice**

Akij Food and Beverage Limited (AFBL), a sister concern of Akij Group, has invested Tk300 crore to establish an aseptic mango juice plant at its Dhamrai factory. The plant is the largest aseptic plant in Asia with capacity of mixing 135,000 litre ingredients at a time in three hours, and filling and labeling 1,296,000 pieces of bottles per day.

<https://www.dhakatribune.com/business/2020/01/07/akij-invests-tk300cr-to-produce-hygienic-mango-juice>

## Capital Market

### Walton to raise Tk 1.0 billion under book building method

Walton Hi-Tech Industries will raise a capital worth Tk 1.0 billion under book building method to expand business and repay bank loans. The Bangladesh Securities and Exchange Commission (BSEC) on Tuesday approved the company's proposal on fixing cut-off price. As per the financial statement for the year ended on June 30, 2019 the company's net asset value (NAV) with revaluation reserve is Tk 243.16 per share, while the NAV without revaluation reserve stood at Tk 138.53 per share. For same period, the company's earnings per share (EPS) is Tk 28.42 as per weighted average calculated after tax.

<https://today.thefinancialexpress.com.bd/stock-corporate/walton-to-raise-tk-10-billion-under-book-building-method-1578419098>

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

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