

## Bangladesh market snapshot

	Last closing
DSEX Index	5,498.54
% change	2.27%
DS30 Index	2,086.36
% change	3.11%
DSES Index	1,239.58
% change	2.04%
Turnover (BDT mn)	6,833.03
Turnover (USD mn)	81.35
% change	-13.48%
Market Capitalization (BDT bn)	4,688
Market Capitalization (USD bn)	55.81
% change	2.28%

Source: Dhaka Stock Exchange

## International market snapshot

	Last closing
Dow Jones Industrial Average	31,375.83
% change	-0.03%
Nikkei 225	29,531.48
% change	+0.09%
FTSE 100	6,531.56
% change	+0.12%

Source: Bloomberg

## Exchange rate

Currency	BDT
USD	84.80
EUR	102.18
GBP	116.53
INR	1.16

Source: Bangladesh Bank

## Money market

Date	Call Money Rate Range (%)	Weighted Average (%)
08-Feb-2021	1.00-5.25	1.88
07-Feb-2021	1.00-5.25	1.92

Source: Bangladesh Bank

## Commodities

	Price	% Change
Brent Crude (Oil), USD/bbl	61.01	-0.13%
Gold Spot, USD/t oz	1,842.68	+0.24%
Cotton, USD/lb	87.30	-0.94%

Source: Bloomberg

## Economy

### BD imports perk up

Bangladesh's imports have started picking up for the first time since the Covid-19 pandemic paralysed the national economy. Imports surged in January by 5.0-6.0 per cent in terms of goods, not in value, driven by a substantial rise in commodities meant for the Ramadan beginning in April. The opening of letters of credit or LCs for imports has increased by 2.56 per cent (f.o.b) last December.

<https://today.thefinancialexpress.com.bd/first-page/bd-imports-perk-up-1612893611>

### Bank and NBFI

#### Default loans drop on relaxed policies

Default loans went down in 2020 on the back of a general forbearance on loan payments, a development that does not cheer experts and bankers as the fall did not paint the actual scenario. Non-performing loans (NPLs) stood at Tk 88,734 crore last year, down 5.93 per cent year-on-year. Experts and bankers call the decline in the NPLs meaningless as it occurred due to the central bank's instruction to lenders not to classify any loans throughout 2020 under the general forbearance or moratorium.

<https://www.thedailystar.net/business/news/default-loans-drop-relaxed-policies-2042241>

<https://today.thefinancialexpress.com.bd/first-page/moratorium-helps-banks-npl-shrink-further-1612893405>

#### Loan release thru agent banking surges in Oct-Dec

Loan disbursement through the banks' agent banking wings increased by 525.07 per cent or Tk 770.8 crore year-on-year in the October-December period of 2020 as the system became a much more cost-efficient way of availing banking services compared with branch-based banking. The banks disbursed Tk 917.6 crore in loans to the customers through the agent banking wings during the last quarter of 2020 against their disbursement of Tk 146.8 crore in the same period of 2019. Of the disbursements made in the October-December period of 2020, the banks disbursed Tk 507.2 crore for the rural areas against their disbursements of Tk 410.4 crore for the urban areas.

<https://www.newagebd.net/article/129731/loan-release-thru-agent-banking-surges-in-oct-dec>

## Fuel and Power

### Owners keen to continue electricity generation

Owners of many tenure-expired privately-owned oil-fired power plants, including those of rental and quick rental ones, have shown interest to continue electricity generation on 'no electricity, no payment' basis instead of 'capacity payment' provision. Under 'no electricity, no payment' model, state-run Bangladesh Power Development Board (BPDB) will purchase electricity from such plants only when necessary to meet the domestic demand. The

BPDB will not have to make capacity payment to the power plant owners if it fails to buy electricity readily available with them.

<https://today.thefinancialexpress.com.bd/first-page/owners-keen-to-continue-electricity-generation-1612893670>

### Capital Market

#### **BSEC launches online BO account opening system**

The Bangladesh Securities and Exchange Commission on Tuesday launched an online beneficiary owners' account opening system so that investors can open the account from the convenience of their homes. The CDBL formulated the online BO opening system as value-added services following a BSEC instruction.

<https://www.newagebd.net/article/129728/bsec-launches-online-bo-account-opening-system>

#### **Tax receipts from DSE up 13pc month-on-month in January**

The government revenue earnings from the Dhaka bourse rose 13 per cent month-on-month in January of the previous fiscal year as trading volume was on the rise riding on regulatory measures. Buoyant investors have given boost to the capital market after a long time amid growing confidence. The government bagged revenue worth about Tk 390 million January, 2021, which was Tk 343 million a month earlier in December, rising more than 13 per cent.

<https://today.thefinancialexpress.com.bd/stock-corporate/tax-receipts-from-dse-up-13pc-month-on-month-in-january-1612884978>

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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.

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

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