

## Bangladesh market snapshot

	Last closing
DSEX Index	4,385.55
% change	-0.07%
DS30 Index	1,491.57
% change	-0.06%
DSES Index	1,016.27
% change	0.38%
Turnover (BDT mn)	3,408.96
Turnover (USD mn)	40.58
% change	-5.82%
Market Capitalization (BDT bn)	3,357
Market Capitalization (USD bn)	39.97
% change	-0.17%

Source: Dhaka Stock Exchange

## International market snapshot

	Last closing
Dow Jones Industrial Average	29,276.82
% change	+0.60%
Nikkei 225	23,685.98
% change	-0.60%
FTSE 100	7,446.88
% change	-0.27%

Source: Bloomberg

## Exchange rate

Currency	BDT
USD	84.95
EUR	92.99
GBP	109.53
INR	1.19

Source: Bangladesh Bank

## Money market

Date	Call Money Rate Range (%)	Weighted Average (%)
09-Feb-2020	4.50-5.50	5.04
06-Feb-2020	4.50-5.50	5.06

Source: Bangladesh Bank

## Commodities

	Price	% Change
Brent Crude (Oil), USD/bbl	54.03	+1.43%
Gold Spot, USD/t oz	1,567.92	-0.27%
Cotton, USD/lb	68.24	+0.07%

Source: Bloomberg

## Bank and NBFIs

### BB allows each bank to form Tk 2b fund

The central bank has allowed all scheduled banks to create a special fund worth Tk 2.0 billion each of five-year tenure, only for investment in the capital market, officials said. Under the fresh arrangement, the banks may form the special fund with their own resources or with fund received from the Bangladesh Bank (BB) through repo or re-financing mechanism, according to a notification, issued by the BB on Sunday. Such investment will not be included in the banks' capital market exposures, both on solo and consolidated basis, until February 2025, it added.

<https://today.thefinancialexpress.com.bd/first-page/bb-allows-each-bank-to-form-tk-2b-fund-1581356791>

<https://www.thedailystar.net/business/banking/news/bb-comes-the-rescue-ailing-stocks-1866244>

## Economy

### BIDA to provide 154 services thru OSS

Bangladesh Investment Development Authority (BIDA) will provide 154 one stop services (OSS) to reduce the difficulties of the business community of the country. BIDA Executive Chairman Md Sirazul Islam came out with the information at a briefing over BIDA One Stop Service (OSS) at a city hotel in the capital on Monday evening. At present, there are 18 online services, informed the BIDA executive chairman. "The business community of the country had long been demanding for all services under a single shade instead of moving into government offices. So, BIDA took the initiative to reduce their sufferings," he said.

<https://tbsnews.net/economy/bida-provide-154-services-thru-oss-43613>

### NBR seeks budget proposals from research orgs, global lenders, universities for first time

The National Board of Revenue has for the first time sought budget proposals from public and private research organisations, global lending agencies and audit firms, universities, ministries and other government agencies for the upcoming fiscal year 2020-2021 to make the fiscal policy inclusive and dynamic. The NBR's value-added tax wing on Sunday sent letters to the heads of the organisations, in addition to trade bodies, asking them to send in their proposals concerning VAT, supplementary duty, excise duty and the relevant laws and regulations by February 27.

<https://www.thedailystar.net/business/news/nbr-seeks-budget-proposals-think-tanks-lenders-1866172>

### New rules to police pvt chopper service

The government has started framing a series of policies to regulate the country's booming private helicopter services, officials say. The proposed policies and guidelines aim to bring the private helicopter

operators under a regulatory framework, they said. The rules on heliport and elevated helipad are being worked out while a gazette on the operations of private choppers on unscheduled routes has recently been published.

<https://today.thefinancialexpress.com.bd/first-page/new-rules-to-police-pvt-chopper-service-1581356896>

### **Commerce ministry to consider alternative garlic routes**

Bangladesh will look for alternative markets to source garlic, ginger and other spices in case the coronavirus outbreak is prolonged, said Commerce Minister Tipu Munshi yesterday. We will not face any difficulties if onion imports from China are stopped. However, we are observing the supply situation of garlic and ginger. We will consider alternative markets if the coronavirus crisis continues for a long time," he told reporters at his office after a meeting with David Marit, the visiting Agriculture Minister of Canada's Saskatchewan province.

<https://www.thedailystar.net/business/news/commerce-ministry-consider-alternative-garlic-routes-1866256>

### **Textile**

#### **Disruption in supply chain worries garment exporters**

Bangladesh's clothing industry is likely to be seriously affected by the impact of coronavirus as the country imports almost half its raw materials requirement for the sector, exporters say. They said the sector is facing uncertainties as the death toll from the novel virus exceeded 900 on Monday. The country imported textiles and other raw materials from China worth \$5.02 billion during fiscal year 2018-19, according to the lobby group Bangladesh Garment Manufacturers and Exporters Association, or BGMEA.

<https://today.thefinancialexpress.com.bd/last-page/disruption-in-supply-chain-worries-garment-exporters-1581357438>

### **Capital Market**

#### **DSE foreign investors withdraw fund for 11 months**

The net foreign investment at Dhaka Stock Exchange remained negative for the last 11 months in January this year due mainly to low investors' confidence in the market, gloomy economic reports and volatile financial sector. The net foreign investment dipped to Tk 128 crore negative in January this year after Tk 16.2 crore negative in December last year. In January, the overseas investors sold shares worth Tk 402 crore against their purchase of shares worth Tk 274 crore. The foreign investors withdrew Tk 1,114 crore in the last 11 months. In the last 25 months, the foreign investors were the net sellers in 20 months that indicated highly negative sentiment of the foreign investors over the market, market experts said.

<https://www.newagebd.net/article/99217/dse-foreign-investors-withdraw-fund-for-11-months>

#### **BSEC sits with top executives of seven SoEs next week**

The securities regulator has stepped up its efforts to facilitate the process

of divesting the shares of some selected state-owned enterprises (SoEs) in a bid to revamp the country's stock market. As part of the move, the Bangladesh Securities and Exchange Commission (BSEC) will sit with top executives of seven SoEs next week to evaluate their requirements and preparations in this regard. "We have decided to hold a meeting with top executives of these SoEs to assess their conditions regarding offloading of shares in the stock market," a senior BSEC official told the FE on Monday.

<https://today.thefinancialexpress.com.bd/first-page/bsec-sits-with-top-executives-of-seven-soes-next-week-1581356841>

### **Meera Agro's listing hits a snag**

In a strange turn of event, Pinaki & Company, one of the oldest auditor in Bangladesh, sent out a denial that it had audited the balance sheet of Meera Agro Inputs attached with the draft prospectus to raise Tk 5 crore from the small capital board of the Dhaka Stock Exchange. Meera Agro was on course to issuing 50 lakh ordinary shares in the first quarter of this year to raise funds for land development, modernisation and expansion of existing projects and meet working capital demand. "Our former Chattogram branch office's pad may have been used in the audit report. However, our Chattogram office was closed on December of 2014 and practicing certificate of the concerned branch office partner Narayan Roy was cancelled," said the auditor in a letter to the DSE and the Bangladesh Securities and Exchange Commission on January 28.

<https://www.thedailystar.net/business/news/meera-agros-listing-hits-snag-1866250>

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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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