

Bangladesh market snapshot

	Last closing
DSEX Index	4,512.39
% change	0.12%
DS30 Index	1,552.15
% change	0.24%
DSES Index	1,017.46
% change	0.51%
Turnover (BDT mn)	2,942.15
Turnover (USD mn)	35.03
% change	-3.81%
Market Capitalization (BDT bn)	3,431
Market Capitalization (USD bn)	40.84
% change	0.05%

Source: Dhaka Stock Exchange

International market snapshot

	Last closing
Dow Jones Industrial Average	27,911.30
% change	0.11%
Nikkei 225	23,443.07
% change	0.22%
FTSE 100	7,216.25
% change	0.03%

Source: Bloomberg

Exchange rate

Currency	BDT
USD	84.90
EUR	94.19
GBP	111.71
INR	1.20

Source: Bangladesh Bank

Money market

Date	Call Money Rate Range (%)	Weighted Average (%)
10-Dec-2019	2.75-5.50	3.86
09-Dec-2019	2.75-5.50	4.03

Source: Bangladesh Bank

Commodities

	Price	% Change
Brent Crude (Oil), USD/bbl	63.98	0.41%
Gold Spot, USD/t oz	1,475.39	0.03%
Cotton, USD/lb	65.94	0.09%

Source: Bloomberg

Economy

ADB maintains robust growth outlook for Bangladesh

Bangladesh is expected to grow robustly in 2019 and 2020 riding on domestic consumption and strong remittance earnings, said the Asian Development Bank yesterday as it kept the growth outlook for the country unchanged. In a supplement to its Asian Development Outlook 2019 Update, the Manila-based lender, however, trimmed its forecasts for economic growth in developing Asia this year and next year as growth in China and India is weighed down by both external and domestic factors.

<https://www.thedailystar.net/business/news/adb-maintains-robust-growth-outlook-bangladesh-1839157>

Chinese investors seek long-term, stable policies

China has sought stable policies for longer term, including those on taxes and custom duties, to avoid uncertainty as investors from the world's second-largest economy look to broaden their footprint in Bangladesh and relocate factories. A Chinese delegation led by Han Yong, deputy director general of the Chinese commerce ministry, raised the issue at a programme in Dhaka earlier this month when the Bangladesh Economic Zones Authority (BEZA), the Bangladesh Investment Development Authority (BIDA), and the Public Private Partnership Authority Bangladesh made presentations on investment facilities for Chinese investors.

<https://www.thedailystar.net/business/news/chinese-investors-seek-long-term-stable-policies-1839145>

Govt, ADB ink \$333m loan deal for power, transport sectors

The Asian Development Bank (ADB) will provide \$333.26 million in loans for expansion of power transmission lines and designing the Dhaka Mass Rapid Transit (MRT) line. In this regard, the government on Wednesday inked several agreements with the ADB at a function at the National Economic Council (NEC) conference room in the capital, said a press release. Economic Relations Division (ERD) secretary Monowar Ahmed and ADB country director Manmohan Parkash signed the agreements on behalf of their respective sides.

<http://www.newagebd.net/article/93373/govt-adb-ink-333m-loan-deal-for-power-transport-sectors>

Body to recommend single-digit lending rate for industries

The seven-member committee on single-digit lending and deposit rates implementation is likely to submit its report to the central bank today, recommending single-digit interest rate on industrial loans. The committee, headed by Bangladesh Bank deputy governor SM Moniruzzaman, that held several meetings to finalise recommendations, may submit its report to BB governor Fazle Kabir, said BB officials.

<http://www.newagebd.net/article/93367/body-to-recommend-single-digit-lending-rate-for-industries>

Project costs rise abnormally during implementation

There has been an abnormal escalation in the cost of many government's mega-projects even after they were approved by the Planning Commission. This has been happening quite frequently for no good reason – a strong indication that the implementation of these projects are being marred by anomalies. The Bridges Division sent the proposal for the Karnaphuli Tunnel project to the Planning Commission with an estimated cost of Tk5,600 crore. The cost jumped to Tk7,600 crore even before the proposal reached the Project Evaluation Committee (PEC) meeting.

<https://tbsnews.net/bangladesh/infrastructure/project-costs-rise-abnormally-during-implementation>

IT

BTRC approves 6 local firms to launch app-based voice call service

The telecom regulator is going to allow six IP telephony companies to launch app-based voice call services amid opposition from the mobile phone operators. The Bangladesh Telecommunication Regulatory Commission (BTRC) took the decision last month to issue the approval letters to the firms, who are known as internet protocol telephony service providers (IPTSPs), soon. Following in the footsteps of Inter Cloud success, the BTRC in 2018 gave permission to another five companies for launching new app-based calling services. These companies -- Ambar IT, BDCOM Online, MetroNet Bangladesh, Link-3 Technologies, and ICC Communications, however, have not hit the market yet.

<https://www.dhakatribune.com/business/2019/12/11/btrc-approves-6-local-firms-to-launch-app-based-voice-call-service>

Stock

PLFS receives only Tk8cr from defaulters

People's Leasing and Financial Services (PLFS) Limited received only around Tk8 crore from defaulters and borrowers after its liquidator was appointed in mid July. The total outstanding loans of PLFS was Tk1,131crore as of June last year. Of the total, Tk748crore (66.14 % of the total loans) of the institution was non-performing loans. The borrowers of PLFS repaid the money voluntarily to the liquidator, appointed by the court to oversee the process of liquidation. While talking to Dhaka Tribune, Md Asaduzzaman Khan, the deputy general manager of Bangladesh Bank (BB) and PLFS liquidator, said: "We will be taking measures to recover the defaulted loans as soon as the audit is completed. Such measures could not been taken unless we knew the exact amount of the company's claim on the defaulters."

<https://www.dhakatribune.com/business/2019/12/11/plfs-receives-only-tk8cr-from-defaulters>

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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 %
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Contact Us

Research Team

Rajib Kumar Das	Head of Research	rajib.das@ucb.com.bd	+880 1730 797 728
Md. Sakib Chowdhury, CFA	Deputy Head of Research	sakib.chowdhury@ucb.com.bd	+880 1713 205 698
Md. Nazmus Sakib	Research Associate	nazmus.sakib@ucb.com.bd	+880 1701 205 073
Anik Mahmood Ibne Anwar	Research Associate	anik.mahmood@ucb.com.bd	+880 1701 205 074
Shadman Sadique Kamal	Research Associate	shadman.kamal@ucb.com.bd	+880 1701 205 096
Md. Asif Muntasir Shakkhor	Research Associate	asif.muntasir@ucb.com.bd	+880 1713 205 696

Investment Strategist

Syed Adnan Huda, CFA	Vice President	adnan.huda@ucb.com.bd	+880 1730 325 232
Md. Hasib Reza, CFA	Assistant Vice President	hasib.reza@ucb.com.bd	+880 1755 658 997

Institutional & Foreign Trade

Sonchoy Saha, CFA	Head of Institutional Sales	sonchoy.kumer@ucb.com.bd	+880 1755 615 313
Tahmidur Rahman	Senior Executive Officer	tahmid@blomberg.net rahman.tahmidur@ucb.com.bd	+880 1726 995 520

Office Premises

Head Office
6, Dilkusha C/A
1st Floor
Dhaka- 1000
Bangladesh

Corporate Office
Bulus Center (Level-2)
Plot-CWS(A)-1, Road No-34
Gulshan Avenue
Dhaka-1212
Bangladesh

DSE Extension Office
Room # 633, 9/E DSE Annex
Building (5 th Floor)
Motijheel C/A, Dhaka 1000
Bangladesh

Extension of Main Office
NIK Tower, 55 Dilkusha C/A,
(4th Floor), Dhaka-1000.

Chattogram Office
Muntasir Centre (5th Floor),
253, Wasa Circle, Dampara
Khulshi, Chattogram.

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