

Bangladesh market snapshot

	Last closing
DSEX Index	4,123.48
% change	-2.11%
DS30 Index	1,387.78
% change	-1.97%
DSES Index	929.97
% change	-2.12%
Turnover (BDT mn)	2,867.76
Turnover (USD mn)	34.14
% change	9.95%
Market Capitalization (BDT bn)	3,191
Market Capitalization (USD bn)	37.99
% change	-1.90%

Source: Dhaka Stock Exchange

International market snapshot

	Last closing
Dow Jones Industrial Average	28,907.05
% change	+0.29%
Nikkei 225	24,026.81
% change	+0.74%
FTSE 100	7,617.60
% change	+0.39%

Source: Bloomberg

Exchange rate

Currency	BDT
USD	84.90
EUR	94.44
GBP	110.90
INR	1.20

Source: Bangladesh Bank

Money market

Date	Call Money Rate Range	Weighted Average (%)
12-Jan-2020	3.00-5.50	4.94
09-Jan-2020	3.00-5.50	4.73

Source: Bangladesh Bank

Commodities

	Price	% Change
Brent Crude (Oil), USD/bbl	64.29	+0.14%
Gold Spot, USD/t oz	1,539.23	-0.56%
Cotton, USD/lb	71.28	-0.35%

Source: Bloomberg

Economy

WB unlikely to lift lending for BD

The World Bank, or WB, is likely to provide US\$4.50 billion in loans to Bangladesh over the next three-years, officials said on Monday, the same level as the current portfolio. Although the total aid package of the global lender for its member countries is going to be enhanced by \$7.0 billion to \$82 billion for the fiscal year 2020-21 to FY2023, Bangladesh's share is unlikely to be raised, they said.

<https://today.thefinancialexpress.com.bd/first-page/wb-unlikely-to-lift-lending-for-bd-1578936883>

NBR allows EZ factories to import spare parts duty-free

The National Board of Revenue (NBR) has offered duty-free benefit on import of spare parts by the factories located inside the Economic Zones (EZs) of the country. The customs wing of the NBR issued a Statutory Regulatory Order (SRO), dated January 9, 2020, by amending the previous one. Currently, the EZ factories are enjoying the duty-free benefit on import of capital machinery and construction materials under a SRO issued on July 1, 2015.

<https://today.thefinancialexpress.com.bd/trade-market/nbr-allows-ez-factories-to-import-spare-parts-duty-free-1578935814>

BB increases remit limit for IT firms

Bangladesh Bank (BB) has increased the remit limit for Information Technology (IT) or Software firms to \$40,000 from existing \$30,000 in a calendar year, reports BSS. Within the limit of \$40,000, the circular said international cards may be issuable for \$8,000 instead of \$6,000 which may be refilled subject to availability of the limit and observance of specified formalities.

<https://today.thefinancialexpress.com.bd/last-page/bb-increases-remit-limit-for-it-firms-1578937458>

India pushes for bypassing PPR

India has been, allegedly, pressing Bangladesh to allow its companies to participate in international tenders, floated by the latter, without meeting the criteria set in the Public Procurement Rules 2008. Since December 2016, the Indian High Commission in Dhaka has issued over a dozen note verbales to the authorities seeking the favour, officials concerned said. During his visit to Dhaka September 2018, former Indian commerce minister Suresh Prabhu took up the issue with his the then Bangladeshi counterpart.

<https://today.thefinancialexpress.com.bd/first-page/india-pushes-for-bypassing-ppr-1578937180>

PM seeks UAE investment in port, shipbuilding sectors

Prime Minister Sheikh Hasina today sought investment from Dubai-based company DP World in Bangladesh's port, shipbuilding and ICT sectors. "We expect your (DP World) investment in larger volume in Bangladesh's port, shipbuilding and ICT sectors alongside the power

and energy," she said when delegations of the prominent UAE companies including the DP World called on her at her place of residence at Shangri-La Hotel here. PM's Press Secretary Ihsanul Karim briefed reporters after the meetings.

<https://tbsnews.net/economy/pm-seeks-uae-investment-portfolio-building-sectors-36229>

Banks and NBFI

ABB against single digit interest rate for SME loans

The Association of Bankers, Bangladesh (ABB) on Monday said it did not want the interest rate of loans to be cut down to single digit for small and medium enterprises (SMEs). Claiming such loans is very costly for banks, the association urged Finance Minister AHM Mustafa Kamal to consider their request. The association, made up of chief executives of banks, made the request at a reception held at Gulshan in honour of Kamal being selected Finance Minister of the Year by The Banker, a London-based magazine.

<https://tbsnews.net/economy/abb-against-single-digit-interest-rate-sme-loans-36219>

Bangladesh Bank approves new NBFI amid sector's struggles

The Bangladesh Bank board has awarded its initial consent to a new non-bank financial institution, Strategic Finance and Investments, on political consideration despite the fact that the country's NBFI sector is in turmoil amid massive scams and irregularities. Instead of putting efforts to establish discipline in the sector, the BB is going to bring a new NBFI to the market where more than 10 of the 34 NBFIs are struggling to survive.

<https://www.newagebd.net/article/96489/bangladesh-bank-approves-new-nbfi-amid-sectors-struggles>

Fuel & Power

Payra coal-fired plant starts power generation

Payra coal-fired power plant has initiated electricity generation on Monday after successful synchronisation with the national power grid. The power plant started with supplying around 100 megawatts (MW) of electricity, and it will increase generation, said a senior official of the Power Division. The first unit of the plant, having the capacity of 660 MW, is expected to be commissioned later this month, and it will be the country's largest electricity plant.

<https://today.thefinancialexpress.com.bd/first-page/payra-coal-fired-plant-starts-power-generation-1578937042>

Writ seeks MRP mark on LPG cylinder

A writ petition has been filed with the High Court on Monday, seeking its directives to issue a rule upon the government to explain as to why it should not be directed to take immediate step to ensure maximum retail price (MRP) mark on the body of the LPG (liquefied petroleum gas) cylinder. The petition also wanted to know in the rule as to why the government should not be directed to set up a price fixation committee

to determine the retail price of LPG.

<https://today.thefinancialexpress.com.bd/trade-market/writ-seeks-mrp-mark-on-lpg-cylinder-1578935946>

Telecommunication

Govt is set to appoint administrators to GP, Robi

The government is set to appoint administrators to Grameenphone and Robi if the two mobile operators fail to make at least partial payment of the audit claims of BTRC within the deadline. At a meeting on Sunday, the Bangladesh Telecommunication Regulatory Commission (BTRC) had a discussion on what should be done to realize the telecom regulator's audit claims of Tk13, 445 crore. The BTRC chairman told Dhaka Tribune on Monday that the possibility of appointing administrators as a measure to realize the commission's audit claim was discussed at the meeting on Sunday.

<https://www.dhakatribune.com/business/2020/01/14/govt-is-set-to-appoint-administrators-to-gp-robi>

Telecom complaints double, one-third solved

The Bangladesh Telecommunication Regulatory Commission received more than 14,000 complaints last year, almost double from a year ago, because of the inclusion of new options to lodge grumbles. However, only 37 percent of the complaints were resolved in 2019, way lower than 93.44 percent a year ago. Most of the complaints were about bar on mobile connection, network problem, quality of service, tariff issues and mobile number portability, according to a report of the commission. The report was released yesterday.

<https://www.thedailystar.net/business/news/telecom-complaints-double-one-third-solved-1853884>

Textile

US provides silver lining for garment exporters

Bangladesh's apparel shipments to the US, its main export destination, edged up in the first 11 months of 2019 -- a heartening development given the inclement condition on the export front. Between the months of July and December last year, Bangladesh's apparel shipments fell 6.21 percent to \$16.02 billion, according to data from the Export Promotion Bureau. But exports to the US fetched \$5.69 billion, up 9.47 percent from a year earlier, according to data from the Office of Textiles and Apparel (OTEXA).

<https://www.thedailystar.net/business/news/us-provides-silver-lining-garment-exporters-1853881>

S Korean apparel company to invest \$5.23m in CEPZ

An apparel company from the Republic of Korea (ROK) will establish a readymade garment (RMG) industry in Chattogram Export Processing Zone (CEPZ), reports BSS. South Korean Ms JW Apparel Limited will set up the RMG industry at the CEPZ with an investment of US \$5.23 million. The Bangladesh Export Processing Zones Authority (BEPZA) and Ms JW Apparel Limited signed an agreement in this regard at BEPZA Complex in

the capital on Monday, said a press release.

<https://today.thefinancialexpress.com.bd/trade-market/s-korean-apparel-company-to-invest-523m-in-cepz-1578935923>

BKMEA seeks extended EDF loan facility

Members of the country's knitwear subsector have alleged that they were being deprived of the enhanced loan facility under the Export Development Fund (EDF). They also termed it as a hindrance to further investment in the subsector. Bangladesh Bank (BB) increased the EDF loan limit twice since 2017 to US\$ 25 million from \$ 15 million for the member mills of Bangladesh Garment Manufacturers and Exporters Association (BGMEA) and Bangladesh Textile Mills Association (BTMA), they added.

<https://today.thefinancialexpress.com.bd/trade-market/bkmea-seeks-extended-edf-loan-facility-1578935861>

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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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