

Bangladesh market snapshot

	Last closing
DSEX Index	4,698.90
% change	-0.72%
DS30 Index	1,591.76
% change	-0.07%
DSES Index	1,086.00
% change	-0.35%
Turnover (BDT mn)	6,684.56
Turnover (USD mn)	79.58
% change	-13.26%
Market Capitalization (BDT bn)	3,600
Market Capitalization (USD bn)	42.85
% change	0.20%

Source: Dhaka Stock Exchange

International market snapshot

	Last closing
Dow Jones Industrial Average	28,992.41
% change	-0.78%
Nikkei 225	23,386.74
% change	-0.39%
FTSE 100	7,403.92
% change	-0.44%

Source: Bloomberg

Exchange rate

Currency	BDT
USD	84.95
EUR	92.11
GBP	110.17
INR	1.18

Source: Bangladesh Bank

Money market

Date	Call Money Rate Range	Weighted Average (%)
20-Feb-2020	4.50-5.50	5.09
19-Feb-2020	4.50-5.50	5.09

Source: Bangladesh Bank

Commodities

	Price	% Change
Brent Crude (Oil), USD/bbl	56.86	-2.80%
Gold Spot, USD/t oz	1,660.11	1.02%
Cotton, USD/lb	67.77	-1.78%

Source: Bloomberg

Economy

Bangladesh still risks losing GSP benefits

Bangladesh is still at risk of losing the European Union's GSP as the latter has again warned about its readiness to launch the procedure for withdrawal of preferences in case of failure to produce sufficient results. The European Union (EU) will decide on its next steps following the publication of the assessment report by the International Labour Organisation (ILO) by the next month on Bangladesh in line with its (ILO's) previous recommendations. The EU's warning came in its latest report expressing its concerns over labour and human rights situation in Bangladesh.

<https://today.thefinancialexpress.com.bd/first-page/bangladesh-still-risks-losing-gsp-benefits-1582479268>

NBR to tighten deadline for bill of entry at ports

The National Board of Revenue (NBR) is planning to make it mandatory for importers to submit the bill of entry to customs within 72 hours of shipment arriving at port, in a bid to further improve the business environment in Bangladesh. A bill of entry is a legal document that is filed by importers or customs clearance agents on or before the arrival of imported goods. It is submitted to the customs department as part of the customs clearance procedure.

<https://tbsnews.net/economy/nbr/nbr-tighten-deadline-bill-entry-ports-47281>

MRT won't bring much respite

The much-hyped Mass Rapid Transport projects will hardly ease traffic congestion in the capital because by 2035, when the projects are expected to be fully implemented, only one-tenth of the commuters will be using the trains, an expert said yesterday. When the population increases and more vehicles hit the streets, the congestion will worsen, said Tanwir Nawaz, member of advisory committee of the government's Strategic Transport Plan. Addressing a seminar on The Future Planning of Urban Transportation in Dhaka at Krishibid Institution Bangladesh, he said the city had grown over 20 times its size since 1971.

<https://www.thedailystar.net/backpage/news/mrt-wont-bring-much-respite-1872100>

NBR to follow real-time exchange rate for customs valuation

The National Board of Revenue is going to introduce real-time currency exchange rates for determining the value of import and export goods for the purpose of customs assessment, replacing the existing monthly average value of major foreign currencies. Customs officials of the revenue board said that the introduction of real time currency exchange rates would remove the difference in conversion rates between the foreign currencies and the Bangladeshi currency taka. It is also a global practice to follow the

real time exchange rates for the purpose of customs assessment for imposing customs duty and other taxes on the value of import and export goods, they said.

<https://www.newagebd.net/article/100343/nbr-to-follow-real-time-exchange-rate-for-customs-valuation>

Ctg region's economic zones to get five jetties

Five jetties and necessary infrastructure will be set up in the economic zones in the country's south-eastern part to ensure comfortable and safe movement of people as well as tourism and landing facilities. The Bangladesh Inland Water Transport Authority (BIWTA) will implement the project involving about Tk 1,923 crore in cooperation with the Bangladesh Economic Zones Authority (Beza) between July 2020 and June 2023. The jetties will provide infrastructure facilities to carry the rising volume of goods and items for local people in Chittagong and Cox's Bazar and they will contribute to the economic development, Paban Chowdhury, executive chairman of the Beza, told The Daily Star.

<https://www.thedailystar.net/business/news/ctg-regions-economic-zones-get-five-jetties-1872184>

Commonwealth investment council wants office in Bangladesh

The Commonwealth Enterprise and Investment Council (CWEIC) aims to establish a hub office in Dhaka to help facilitate further engagements in trade and investment between Bangladesh and other member nations of the Commonwealth through a strategic partnership. It also invited leading Bangladeshi private sector businesses to join as strategic partners, said Right Honourable (Rt Hon) Sir Hugo Swire KCMG, deputy chairman of CWEIC.

<https://www.thedailystar.net/business/news/commonwealth-investment-council-wants-office-bangladesh-1872187>

NSW to help better ranking in doing business index

The Bangladesh National Single Window (BD-NSW) will certainly help to improve the country's standing in the Ease of Doing Business (EODB) index through significantly reducing time and cost of trading, speakers said at a workshop on Sunday. Trading across border is one of the 10 indicators of the EODB index in which Bangladesh's performance was very unsatisfactory, and it negatively impacted the country's overall ranking in the World Bank (WB)-published index, according to them.

<https://today.thefinancialexpress.com.bd/first-page/nsw-to-help-better-ranking-in-doing-business-index-1582479597>

Bank and NBFIs

Wealthy turned to post office accounts after savings certificate rules shut them out

A section of well-off people has apparently made a mad dash for post office accounts right after the government tightened rules on investment in high interest-bearing national savings certificates.

Fixed deposits in Post Office Savings Bank soared 66 per cent year-on-

year to Tk 11,730 crore in the first half of the fiscal year, according to data from the Bangladesh Post Office (BPO). At the same time, investment in savings certificates sold by the post office plummeted 88 per cent to Tk 1,870 crore from Tk 15,870 crore.

<https://www.thedailystar.net/business/news/wealthy-turned-post-office-accounts-after-savings-certificate-rules-shut-them-out-1872121>

Bengal Bank now can start banking

The Bangladesh Bank issued a directive on Sunday saying that Bengal Commercial Bank now can officially start its banking activity. Earlier on February 9, the central bank gave its final approval to the commercial bank — raising the total number of country's scheduled banks to 60. Bengal Commercial Bank has been initiated by the Bengal Group of Industries — a local plastic product manufacturer. Lawmaker Morshed Alam is the chairman of the group and his younger brother Jashim Uddin has been appointed as the chairman of the new bank. Jashim Uddin previously served the Federation of Bangladesh Chambers of Commerce & Industries (FBCCI) as a vice-president.

<https://tbsnews.net/economy/banking/bangladesh-bank-enlists-bengal-commercial-bank-scheduled-bank-47249>

Uniform regulation for all MFS providers underlined

Experts at a roundtable on Sunday said a single regulation is required for the digital financial service (DFS) or mobile financial service (MFS) to help the sector grow efficiently on a level playing field. The government should avoid dual regulations or 'territorial disputes' of authorities over the right to regulate the service, as it would further complicate the complex MFS or DFS, they said.

<https://today.thefinancialexpress.com.bd/first-page/uniform-regulation-for-all-mfs-providers-underlined-1582479508>

Banking commission: Independence will matter most

The demand for formation of a banking commission is an old one. Different people at different times brought the issue to the fore. But the government gave its proponents the cold shoulder, maintaining its (government's) usual indifference to a deepening crisis in the country's banking sector. However, with the state of the banking sector deteriorating at an increased pace in recent years, the demand for putting in place a banking commission has only become louder. The government policymakers also could no longer be indifferent to the need for addressing the issue. So, they have started talking about it, lately.

<https://today.thefinancialexpress.com.bd/editorial/banking-commission-independence-will-matter-most-1582466105>

Telecommunication

Relief for GP at last after it pays Tk 1,000cr

Grameenphone yesterday deposited Tk 1,000 crore to the state coffer as per the Supreme Court's order on Thursday, bringing to an end its years-long tussle with the telecom regulator over unpaid dues. The Bangladesh

Telecommunication Regulatory Commission (BTRC) has claimed Tk 12,579.96 crore from the operator in revenue shares, taxes and late fees -- a figure Grameenphone maintains is not correct. The deposit though should not be seen an admission of liability, Grameenphone said in a statement yesterday.

<https://www.thedailystar.net/business/news/relief-gp-last-after-it-pays-tk-1000cr-1872196>

Stocks

Northern Jute halts production after account freeze

Northern Jute Manufacturing Company's factory at the BSCIC Industrial Estate in Kushtia was closed after it failed to clear workers' wages following bank account freeze by the central bank. The decision to stop the production of the listed jute good producer caused its share to slide 8.74 per cent to Tk 421 on the Dhaka Stock Exchange (DSE) yesterday. Northern Jute has previously informed investors through the DSE of the bar on its bank accounts as per a High Court order. Since the chairman of Northern Jute, Uzzal Kumar Nandi, is also the chairman of People's Leasing and Financial Services (PLFS), the decision to discontinue the production could be considered as a consequence of recent events.

<https://www.thedailystar.net/business/news/northern-jute-halts-production-after-account-freeze-1872127>

Capital Market

STOCKS SEE RED

The benchmark index of the DSE witnessed a correction in the last two consecutive days though Grameenphone jumped yesterday. Turnover, another important indicators of the DSE, fell too as investors want to see whether banks took the liquidity support from the Bangladesh Bank in order to invest in the stock market.

<https://www.thedailystar.net/business/news/stocks-see-red-1872163>

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

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