

Bangladesh market snapshot

	Last closing
DSEX Index	4,394.44
% change	-0.82%
DS30 Index	1,494.55
% change	-0.47%
DSES Index	981.66
% change	-0.21%
Turnover (BDT mn)	2,634.84
Turnover (USD mn)	31.37
% change	-2.80%
Market Capitalization (BDT bn)	3,352
Market Capitalization (USD bn)	39.90
% change	-0.21%

Source: Dhaka Stock Exchange

International market snapshot

	Last closing
Dow Jones Industrial Average	28,455.09
% change	0.28%
Nikkei 225	23,846.04
% change	0.12%
FTSE 100	7,582.48
% change	0.11%

Source: Bloomberg

Exchange rate

Currency	BDT
USD	84.82
EUR	94.05
GBP	109.78
INR	1.19

Source: Bangladesh Bank

Money market

Date	Call Money Rate Range	Weighted Average (%)
19-Dec-2019	4.00-5.50	5.05
18-Dec-2019	3.75-5.50	4.98

Source: Bangladesh Bank

Commodities

	Price	% Change
Brent Crude (Oil), USD/bbl	65.93	-0.32%
Gold Spot, USD/t oz	1,481.35	0.21%
Cotton, USD/lb	67.89	-0.10%

Source: Bloomberg

Economy

Central bank board to look for ways to implement single-digit interest rate

The Bangladesh Bank board will discuss a report on the implementation of the single-digit interest rate for industrial sectors on Tuesday, December 24. A committee headed by a deputy governor of the central bank has prepared the report including recommendations to bring down the lending rate below the double-digit. This is the top agenda of the 400th meeting of the Bangladesh Bank board. The committee formed, at the instruction of Finance Minister AHM Mustafa Kamal, submitted its report to central bank Governor Fazle Kabir on December 12.

<https://tbsnews.net/economy/central-bank-board-look-ways-implement-single-digit-interest-rate>

Japan shows interest to invest more in Bangladesh

Japan has showed its interest to invest more in Bangladesh. Japanese Ambassador to Bangladesh Naoki Ito expressed the interest during his visit in Narayanganj on Monday. Ito called on Mayor Dr Selina Hayat Ivy at her Narayanganj City Corporation (NCC) office and also paid a visit to Adamjee EPZ (Export Processing Zone) during his Narayanganj trip. During his meeting with the NCC mayor, the Japanese envoy also said that Bangladesh and Japan have potentials to increase their economic cooperation.

<https://today.thefinancialexpress.com.bd/stock-corporate/japan-shows-interest-to-invest-more-in-bangladesh-1577123064>

Bank and NBFIs

Employees see red as BASIC slashes salaries

BASIC Bank has slashed the salary of its employees for chronic losses, setting a precedent in Bangladesh's banking sector of linking performance to remuneration. The decision was taken by the state bank's board on Sunday as part of its austerity measures and immediately issued a notice to inform the employees that their salary would be fixed as per the structure followed by other public banks.

<https://www.thedailystar.net/business/news/employees-see-red-basic-slashes-salaries-1844392>

Court defers filing of probe report again (BD Bank Money Heist)

A Dhaka court has again deferred the date for submitting the investigation report on a case filed in connection with the stolen money from Bangladesh Bank's account with Federal Reserve Bank of New York. Metropolitan magistrate Mohammad Jasim Uddin fixed January 23 for submitting the report as the investigation officer of the case failed to hand over it to the court on Monday, sources said.

<https://today.thefinancialexpress.com.bd/last-page/court-defers-filing-of-probe-report-again-1577123998>

Telecommunication

Customer data to be stored locally: Jabbar

The government will ensure that global digital companies store within Bangladesh data which have been provided and generated within the country's borders, said Mustafa Jabbar, posts, telecommunications and information technology minister, yesterday. Singapore is already doing so through the enactment of a data security act and Bangladesh will do the same, he said.

<https://www.thedailystar.net/business/news/customer-data-be-stored-locally-jabbar-1844377>

It was an invitation to President, not a legal notice: Telenor clarifies

Clarifying the issue over a reported 'legal notice to the President', Telenor Group has said it was not a legal notice but an invitation letter to him for dialogue, reports UNB. "Telenor Group sent an invitation letter for dialogue, and not a legal notice," said Cathrine Stang Lund, director, Group Communication Asia, Telenor Group in a statement on Sunday. According to the treaty process, she said, such letters should be sent to Heads of State. Telenor made Bilateral Investment Treaty with the Government of Bangladesh and the Government of Singapore.

<https://today.thefinancialexpress.com.bd/last-page/it-was-an-invitation-to-president-not-a-legal-notice-1577124097>

Cement

Advance income tax cut for import of cement raw materials

The tax administrator has made the advance income tax (AIT) on the imports of cement raw materials non-adjustable and cut it by two percentage points to 3 percent for the sake of the local manufacturers. Until last fiscal year, cement manufacturers paid 5 percent AIT for raw material imports and the amount was adjustable based on the final tally of their income.

<https://www.thedailystar.net/business/news/advance-income-tax-cut-import-cement-raw-materials-1844383>

Textile

Attempts made to steal money from buyers

A racket of swindlers has made a number of attempts to steal money from western buyers through breaching email information of Bangladesh's readymade garment exporters. Three RMG exporters have recently informed the Bangladesh Garment Manufacturers and Exporters Association that their email information had been breached and the buyers were asked to divert payment to different accounts.

<http://www.newagebd.net/article/94458/attempts-made-to-steal-money-from-buyers>

Capital Market

Core index dips below 4,400-mark on DSE

The key index of Dhaka Stock Exchange slumped below the 'psychological' threshold of 4,400-mark on Monday as worried investors' sell-offs continued. DSEX, the core index of the DSE, went down by

36.51 points or 0.82 per cent to settle at 4,394, the lowest in more than 42 months since June 26, 2016, when the index was 4,380.

<https://today.thefinancialexpress.com.bd/stock-corporate/core-index-dips-below-4400-mark-on-dse-1577122862>

Trustee bars LR Global from making transaction in 2 MFs

The trustee of DBH First Mutual Fund and Green Delta Mutual fund has asked the funds' asset manager LR Global Bangladesh not to make any transaction in the two funds. The trustee, Bangladesh General Insurance Company Limited, sent a letter to LR Global in this regards on Monday, December 23, after the market regulator, Bangladesh Securities and Exchange Commission, approved IDLC Asset Management Company as the new asset manager of the two MFs.

<http://www.newagebd.net/article/94464/trustee-bars-lr-global-from-making-transaction-in-2-mfs>

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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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