

Bangladesh market snapshot

| | Last closing |
|--------------------------------|--------------|
| DSEX Index | 5,815.55 |
| % change | -0.35% |
| DS30 Index | 2,210.19 |
| % change | 0.08% |
| DSES Index | 1,297.33 |
| % change | 0.21% |
| Turnover (BDT mn) | 14,586.27 |
| Turnover (USD mn) | 173.65 |
| % change | 20.20% |
| Market Capitalization (BDT bn) | 4,883 |
| Market Capitalization (USD bn) | 58.13 |
| % change | -0.81% |

Source: Dhaka Stock Exchange

International market snapshot

| | Last closing |
|------------------------------|--------------|
| Dow Jones Industrial Average | 30,996.98 |
| % change | -0.57% |
| Nikkei 225 | 28,767.43 |
| % change | +0.47% |
| FTSE 100 | 6,695.07 |
| % change | -0.30% |

Source: Bloomberg

Exchange rate

| Currency | BDT |
|----------|--------|
| USD | 84.80 |
| EUR | 103.24 |
| GBP | 116.07 |
| INR | 1.16 |

Source: Bangladesh Bank

Money market

| Date | Call Money Rate Range (%) | Weighted Average (%) |
|-------------|---------------------------|----------------------|
| 21-Jan-2021 | 1.00-5.25 | 1.65 |
| 20-Jan-2021 | 1.00-5.25 | 1.52 |

Source: Bangladesh Bank

Commodities

| | Price | % Change |
|----------------------------|----------|----------|
| Brent Crude (Oil), USD/bbl | 55.28 | -0.23% |
| Gold Spot, USD/t oz | 1,855.06 | -0.03% |
| Cotton, USD/lb | 81.87 | +0.38% |

Source: Bloomberg

Economy

Private credit growth inches up in Dec

Despite demand for loans being suppressed by the ongoing business slowdown, private sector credit growth crept up in December after undergoing a steep descent in the previous two months. The year-on-year credit growth stood at 8.37 per cent in December, up from 8.21 per cent a month earlier. In its monetary policy statement for fiscal 2020-21, the central bank set a private sector credit growth target of 11.5 per cent by December last year and 14.8 per cent by June this year. But till date, this has turned out to be far from reality because of the financial meltdown brought on by the coronavirus pandemic.

<https://www.thedailystar.net/business/news/private-credit-growth-inches-dec-2033393>

<https://www.dhakatribune.com/business/2021/01/25/private-sector-credit-growth-still-depressed>

Bank and NBFIs

Deposit growth in Islamic banks higher in Sept-end quarter

Year-on-year deposit growth in the country's Islamic banks at the September-end quarter of 2020 was much higher than the growth rate in the country's overall banking sector at the end of the same quarter, reflecting a growing public interest in Shariah-based banking system. Deposit growth in the country's Islamic banks was 21.94 per cent or Tk 57,513.93 crore year-on-year at the end of September 2020 while the growth rate in deposits in the country's overall banking sector was 13.1 per cent or Tk 1,43,207 crore. Deposits in the Islamic banks surged to Tk 3,19,624.86 crore at the end of September 2020 from Tk 2,62,110.93 crore in the previous year.

<https://www.newagebd.net/article/128175/deposit-growth-in-islamic-banks-higher-in-sept-end-quarter>

District-wise lead bank appointed for CMSMEs' package execution

The Bangladesh Bank on Sunday appointed district-wise lead banks for the year 2021 with a view to expediting and ensuring effective implementation of the Tk 20,000-crore stimulus package meant for the cottage, micro, small and medium entrepreneurs. Dismal implementation of the package even after nine months of its launch prompted the central bank to take the move.

<https://www.newagebd.net/article/128176/district-wise-lead-bank-appointed-for-cmsmes-package-execution>

<https://tbsnews.net/economy/bb-names-lead-banks-oversee-stimulus-small-traders-190969>

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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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