

## Bangladesh market snapshot

	Last closing
DSEX Index	5,695.378
% change	-1.63%
DS30 Index	2,163.00
% change	-0.37%
DSES Index	1,279.478
% change	-1.34%
Turnover (BDT mn)	11,254.56
Turnover (USD mn)	132.72
% change	-29.00%
Market Capitalization (BDT bn)	4,784
Market Capitalization (USD bn)	56.42
% change	-1.41%

Source: Dhaka Stock Exchange

## International market snapshot

	Last closing
Dow Jones Industrial Average	30,937.04
% change	-0.07%
Nikkei 225	28,596.06
% change	+0.17%
FTSE 100	6,654.01
% change	+0.23%

Source: Bloomberg

## Exchange rate

Currency	BDT
USD	84.80
EUR	102.96
GBP	115.98
INR	1.16

Source: Bangladesh Bank

## Money market

Date	Call Money Rate Range (%)	Weighted Average (%)
25-Jan-2021	1.00-5.25	1.64
24-Jan-2021	1.00-5.25	1.62

Source: Bangladesh Bank

## Commodities

	Price	% Change
Brent Crude (Oil), USD/bbl	56.07	+0.29%
Gold Spot, USD/t oz	1,847.48	-0.19%
Cotton, USD/lb	81.71	0.00%

Source: Bloomberg

## Economy

### Economy will return to high growth path next fiscal year: UN

Bangladesh's economy will return to the high growth trajectory in the next fiscal year overcoming the scarring impacts of the coronavirus pandemic, according to a United Nations report. The country's gross domestic product (GDP) will grow by 7.6 per cent in the fiscal year of 2021-22 following a 5.1 per cent expansion in the current fiscal year, said the World Economic Situation and Prospects 2021 report produced by the United Nations Department of Economic and Social Affairs. The UN forecast is higher than the projection made by the World Bank and is in line with that of the International Monetary Fund (IMF).

<https://www.thedailystar.net/business/news/economy-will-return-high-growth-path-next-fiscal-year-un-2034569>

## Bank and NBFIs

### H1 farm loan release up 18pc

Farm loan disbursement by banks increased by 18.31 per cent or Tk 1,977.2 crore year-on-year in the first half of the current fiscal year 2020-2021 as farmers began cultivation of rabi crops after being hit hard by excessive flooding during monsoon. The central bank's pressure on the banks to expedite disbursement of loans to the farmers was another reason behind the increase. The banks disbursed Tk 12,077.98 crore in July-December of FY21 against Tk 10,800.8 crore disbursed in farm loans in the same period of the previous year. Of the disbursements made in H1, farmers took Tk 3,142 in loans in December 2020.

<https://www.newagebd.net/article/128391/h1-farm-loan-release-up-18pc>

## Capital Market

### NRB Commercial Bank's IPO subscription begins Feb 3

The subscription for initial public offering (IPO) of NRB Commercial Bank is set to start from February 3 and it will continue until February 9, which will remain open for all kinds of investors. The fourth generation bank, which will raise Tk 120 crore through the IPO, is the first private commercial bank in the last 12 years to get listed with the stock market.

<https://www.thedailystar.net/business/news/nrb-commercial-banks-ipo-subscription-begins-feb-3-2034529>

### BSEC urges FID to realise WB's \$7m aid

The securities regulator has urged the Financial Institutions Division (FID) to facilitate realisation of a grant, amounting to about US\$ 7.0 million, from the World Bank (WB) for digitalisation of the country's capital market. BSEC has sought the FID's collaboration for engaging the Economic Relations Division (ERD) in realising the grant from the WB.

<https://today.thefinancialexpress.com.bd/last-page/bsec-urges-fid-to-realise-wbs-7m-aid-1611681740>

## **ICB plans for \$1bn bond to help capital market**

Investment Corporation of Bangladesh (ICB) is planning to issue bonds worth \$1 billion or around Tk8.5 thousand crore to strengthen its support to the capital market. The state-owned investment company would mainly utilise the proceeds to lend to the market intermediaries who have been looking for low-cost funds for stronger market activities and providing margin loans.

<https://tbsnews.net/economy/stock/icb-plans-1bn-bond-help-capital-market-192193>

## **Stock**

### **Berger Paints cruising after hitting a pandemic speed bump**

Berger Paints saw its profit soar 35.6 per cent between October and December to Tk 85.2 crore as the country's leading decorative paint manufacturer appears to have put the worst of the pandemic behind it. There are two reasons behind the profit growth. They have managed to bring down our costs between March and June and at the same time, the price of raw materials has come down a bit. This helped them increase their income.

<https://www.dhakatribune.com/business/stock/2021/01/27/berger-paints-cruising-after-hitting-a-pandemic-speed-bump>

### **Bangladesh's consumer sentiment is back. And Marico will attest to that.**

Marico, the maker of the much-loved Parachute Coconut Oil, saw its profit soar 15.3 per cent year-on-year to Tk 71.4 crore between October and December of last year, benefiting from a faster-than-expected recovery in consumer sentiment with the reopening of the economy from June. In December, as part of its efforts to cut down on its dependency on the Parachute Coconut Oil for its earnings, Marico added two new products to its baby care range. It also rolled out its 100% Pure Saffola Honey in the Bangladesh market last month. But it was the value-added hair oils that drove the growth in sales.

<https://www.dhakatribune.com/business/stock/2021/01/27/bangladesh-s-consumer-sentiment-is-back-and-marico-will-attest-to-that>

<https://today.thefinancialexpress.com.bd/stock-corporate/marico-declares-3rd-interim-dividend-for-2021-1611674102>

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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.

<b>Recommendation Type</b>	<b>Holding period (if not otherwise mentioned)</b>	<b>Absolute Return Potential</b>
Buy	12 Months	More than +15%
Neutral/ Hold	12 Months	Between +15 % and -5 %
Underweight	12 Months	Less than -5 %

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## Contact Us

### Research Team

Md. Hasib Reza, CFA	Head of Research	hasib.reza@ucb.com.bd	+880 1755 658 997
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, CFA	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

### Investment Strategist

Syed Adnan Huda, CFA	COO & Vice President	adnan.huda@ucb.com.bd	+880 1730 325 232
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### Institutional & Foreign Trade

Sonchoy Saha, CFA	Head of Institutional Sales	sonchoy.kumer@ucb.com.bd	+880 1755 615 313
Tahmidur Rahman	Assistant Vice President	rahman.tahmidur@ucb.com.bd	+880 1726 995 520

### Office Premises

#### Head Office

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

#### Corporate Office

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

#### Extension of Main Office

Room # 126, DSE Tower (Level # 8)  
Plot 46, Road-21, Nikunja - 02  
Dhaka- 1229  
Bangladesh

#### Extension of Main Office

NIK Tower (3rd & 4th Floor)  
55 Dilkusha C/A  
Dhaka-1000  
Bangladesh

#### Extension of Main Office

Plot# 12, (2nd Floor, West side)  
Road # 05 Dhanmondi, Dhaka  
Bangladesh

#### Chattogram Office

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