

## Bangladesh market snapshot

	Last closing
DSEX Index	4,493.02
% change	-0.78%
DS30 Index	1,541.23
% change	-0.30%
DSES Index	1,031.72
% change	-0.34%
Turnover (BDT mn)	4,045.81
Turnover (USD mn)	48.16
% change	-14.67%
Market Capitalization (BDT bn)	3,442
Market Capitalization (USD bn)	40.98
% change	-0.37%

Source: Dhaka Stock Exchange

## International market snapshot

	Last closing
Dow Jones Industrial Average	28,535.80
% change	-1.57%
Nikkei 225	23,124.51
% change	-0.94%
FTSE 100	7,412.05
% change	-2.29%

Source: Bloomberg

## Exchange rate

Currency	BDT
USD	84.90
EUR	93.61
GBP	111.04
INR	1.19

Source: Bangladesh Bank

## Money market

Date	Call Money Rate Range	Weighted Average (%)
26-Jan-2020	4.00-5.50	5.07
23-Jan-2020	4.00-5.50	5.10

Source: Bangladesh Bank

## Commodities

	Price	% Change
Brent Crude (Oil), USD/bbl	58.90	-0.71%
Gold Spot, USD/t oz	1,580.89	-0.07%
Cotton, USD/lb	69.39	-0.17%

Source: Bloomberg

## Bank and NBFI

### Some banks slash deposit rates ahead of schedule

A good number of banks have already lowered the interest rates on fresh deposits by keeping their lending rates unchanged. The downward revision of the deposit rates comes much ahead of the date April 01 next suggested by Finance Minister AHM Mustafa Kamal during his meeting with the chairmen and managing directors of the private commercial banks on December 30 last. Banks that have gone for one-sided cut in interest rates said the revision was a part of their 'preparation' ahead of the execution of the single-digit interest rate--- 6.0 per cent on deposits and 9.0 per cent on lending barring credit cards.

<https://today.thefinancialexpress.com.bd/first-page/some-banks-slash-deposit-rates-ahead-of-schedule-1580146977>

### ADR Ratio: 10 banks overshoot BB lending instructions

Ten banks, both private commercial and state-run, lent aggressively in November last year bypassing the Bangladesh Bank (BB) criteria, exposing them to risk in the already battered banking sector. While most of the scheduled banks remained cautious in lending and collecting fresh deposit ahead of a dictated deposit-lending regime beginning April, the roles of the banks concerned for excessive lending have irked the central bank. The BB has cautioned the banks and asked them to lower their lending in line with the ADR instructions. The banks in questions are Basic Bank, AB Bank, National Bank, NRB Bank, NRB Global, Agrani Bank, Padma Bank, Premier Bank, Union Bank and Rajshahi Krishi Unnayan Bank, according to the latest central bank data.

<https://www.dhakatribune.com/business/banks/2020/01/27/adr-ratio-10-banks-overshoot-bb-lending-instructions>

## Economy

### Govt releases 3rd tranche of export subsidy

The government has released the third instalment of export subsidy amounting to Tk 18.31 billion for the fiscal year (FY) 2019-20. The cash incentive will be disbursed among the exporters during the January- March period of 2020, according to a circular issued by the Ministry of Finance on Monday. Of the total amount, jute and jute products sub-sector will get Tk 1.25 billion and other sectors will receive Tk 17.06 billion. In the current fiscal, the government has decided to release a total of Tk 73.25 billion as cash incentive for the exporters.

<https://today.thefinancialexpress.com.bd/trade-market/govt-releases-3rd-tranche-of-export-subsidy-1580142090>

### BB approval needed for as small as \$100 investment aboard

Bangladeshi businesspeople are required to get authorization from Bangladesh Bank for investing abroad amounts as small as \$100 while travellers have permission to take up to \$12,000 with them. Anybody who wants to invest even \$100 has to go through the procedure of

acquiring the bank's permission, which is very complex. As a result, it hinders a businessperson from making investments in foreign countries.

<https://www.dhakatribune.com/business/banks/2020/01/27/bb-s-approval-required-for-foreign-investment-as-small-as-100>

### **BSEZ may bring in foreign investment of US\$20b**

Bangladesh Special Economic Zone (BSEZ), dedicated for Japanese investors, is expected to bring in foreign investment worth US\$20 billion. The Special Economic Zone (SEZ) being developed on 1,000 acres of land in Araihasar upazila of Narayanganj will be operational by 2022. This was revealed at a contract signing ceremony between Infrastructure Development of Japanese Economic Zone Project (IDJEZP) and TOA Corporation held at a city hotel on Monday evening.

<https://today.thefinancialexpress.com.bd/last-page/bsez-may-bring-in-foreign-investment-of-us20b-1580148421>

### **Land mutation for industries, foreign investors in 07 days**

Land mutation between important industries, limited companies, export-oriented industries and companies in Dhaka, Chattogram, Narayanganj and Gazipur districts will be done within seven working days, according to a land ministry circular issued on Monday. The government, under the leadership of Prime Minister Sheikh Hasina, is relentlessly working to increase trade, commerce, industrialisation and foreign investment, said the circular, reports BSS.

<https://today.thefinancialexpress.com.bd/trade-market/land-mutation-for-industries-foreign-investors-in-07-days-1580142043>

### **NBR mulls lottery for VAT payers**

The National Board of Revenue, or NBR, has decided to honour the consumers considering the uses of invoices generated by electronic fiscal device. The VAT online project will award consumers by conducting a lottery among them so that they can be encouraged to collect electronic bills from shops. The revenue board will issue a circular after finalising the draft policy for the purpose, officials said.

<https://today.thefinancialexpress.com.bd/first-page/nbr-mulls-lottery-for-vat-payers-1580147251>

### **BDF meet begins in city tomorrow**

Bangladesh's key donors sit with top policymakers and officials tomorrow (Wednesday) in Dhaka to get an update on the country's development plans and programmes. The two-day parley, known as the Bangladesh Development Forum (BDF), will be opened by Prime Minister Sheikh Hasina at the Bangabandhu International Conference Centre in the city, secretary to the Economic Relations Division, ERD, Monowar Ahmed said.

<https://today.thefinancialexpress.com.bd/first-page/bdf-meet-begins-in-city-tomorrow-1580147137>

## Stocks

### **Renata to set foot in the US this year**

Renata is set to become the third local drug maker to export products to the tightly regulated US market, in a testament of the advances Bangladesh's pharmaceutical industry have made over the years. The company got the approval from the US Food & Drug Administration (USFDA) for three products: Risperidone, Metoprolol Tartrate, and Glycopyrrolate, which are prescribed for schizophrenia, hypertension and peptic ulcer respectively. At present, the pharmaceutical arms of local business giants Square and Beximco have the approval of the USFDA to export their products.

<https://www.thedailystar.net/business/news/renata-set-foot-the-us-year-1860031>

### **Securities regulator asks to freeze Ring Shine Textiles' IPO account**

The securities regulator has asked the Bangladesh Bank to freeze the initial public offering (IPO) account of the recently listed Ring Shine Textiles Limited, citing irregular cash disbursement. The textile firm announced the withdrawal of Tk50 crore from its account to pay off loans taken from different banks before the public share issuance. Ring Shine raised Tk150 crore from the issuance. The firm owed Tk22 crore to Offshore Banking Unit of the Dhaka Bank and Tk28 crore to the South Korea-based Woori Bank, sources said. However, Ring Shine paid off only Tk22 crore. And instead of the debtor banks mentioned while making the withdrawal, the Premier Bank received the sum. The Dhaka branch of Woori Bank requested the Bangladesh Securities and Exchange Commission, in a letter, to intervene and ensure the recovery of its loan.

<https://tbsnews.net/economy/securities-regulator-asks-freeze-ring-shine-textiles-ipo-account-39737>

### **Al-Arafah to launch MFS business**

The board of directors of Al-Arafah Islami Bank Ltd has decided to form a subsidiary company for its Mobile Financial Services (MFS) business jointly with Green More Ltd. The board also decided to issue Mudaraba Subordinated Bond (7 years redeemable) for Tk 5.0 billion to strengthen bank's capital in the name and style "AIBL 3rd Mudaraba Subordinated Bond" through private placement, said an official disclosure on Monday. The bank also informed that formation of the subsidiary company and issuance of bond are subject to approval of the regulatory authorities like Bangladesh Bank and Bangladesh Securities and Exchange Commission.

<https://today.thefinancialexpress.com.bd/stock-corporate/al-arafah-to-launch-mfs-business-1580145885>

## Textile

### **RMG exporters facing troubles in registering with EU GSP process**

Readymade garment manufacturing groups with multiple companies but one tax identification number are facing troubles in getting registration numbers required for the units for enabling automated certification system for European Union GSP due to an EU regulation. They are in apprehension that export might hamper in the EU as only one registered

exporter (REX) number was given against each taxpayer identification number but many of the companies were running one more entities against a TIN number. Citing the EU regulation, the EPB informed exporters that there was no scope for providing more than one registration number against a TIN number as the IT system of EU allowed one registration against a unique number.

<https://www.newagebd.net/article/97861/rmq-exporters-facing-troubles-in-registering-with-eu-gsp-process>

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Recommendation Type	Holding period (if not otherwise mentioned)	Absolute Return Potential
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