

## Bangladesh market snapshot

	Last closing
DSEX Index	4,510.77
% change	0.40%
DS30 Index	1,543.70
% change	0.16%
DSES Index	1,034.39
% change	0.26%
Turnover (BDT mn)	4,674.83
Turnover (USD mn)	55.65
% change	15.55%
Market Capitalization (BDT bn)	3,446
Market Capitalization (USD bn)	41.03
% change	0.12%

Source: Dhaka Stock Exchange

## International market snapshot

	Last closing
Dow Jones Industrial Average	28,722.85
% change	+0.66%
Nikkei 225	23,325.52
% change	+0.47%
FTSE 100	7,480.69
% change	+0.93%

Source: Bloomberg

## Exchange rate

Currency	BDT
USD	84.90
EUR	93.55
GBP	111.85
INR	1.18

Source: Bangladesh Bank

## Money market

Date	Call Money Rate Range (%)	Weighted Average (%)
27-Jan-2020	4.50-5.50	5.08
26-Jan-2020	4.00-5.50	5.07

Source: Bangladesh Bank

## Commodities

	Price	% Change
Brent Crude (Oil), USD/bbl	60.31	+1.34%
Gold Spot, USD/t oz	1,564.49	-0.17%
Cotton, USD/lb	70.60	+0.34%

Source: Bloomberg

## Economy

### Private sector's appetite for credit craters

Private sector credit growth dropped to the lowest since 2008 in December last year, in continuation of its downward trend of the previous 21 months. In December last year, the year-on-year credit growth stood at 9.83 percent, down from 9.87 percent from one month earlier, according to Bangladesh Bank data, which goes as far back as 2008. "Private sector credit growth will decline significantly within the next three to four months if the government continues to borrow from banks heavily," said Ahsan H Mansur, executive director of the Policy Research Institute.

<https://www.thedailystar.net/business/news/private-sectors-appetite-credit-craters-1860514>

<https://www.dhakatribune.com/business/2020/01/28/fallout-of-falling-private-credit>

### Govt to seek more external aid (BDF meet begins today)

The two-day Bangladesh Development Forum (BDF) kicks off in the city today (Wednesday) after a gap of two years. Government policymakers, private sector and civil society representatives, academicians and donor representatives will take part in the event, the Economic Relations Division (ERD) officials said. The average annual inflow of foreign aid has been equivalent to around 2.0 per cent in recent years. It was more than 6.0 per cent a couple of decades ago. The ERD officials said the Bangladesh government will apprise the development partners of its growing need for foreign investment to help spur the country's development process and eradicate poverty further.

<https://today.thefinancialexpress.com.bd/first-page/govt-to-seek-more-external-aid-1580234114>

### Govt forms wage board for printing press workers

The government has formed a wage board to review the minimum wage for the workers of the country's printing press sector, sources said. The ministry of labour and employment issued a gazette notification on January 27, announcing the names of the representatives from the workers and owners for recommending the minimum wage.

<https://today.thefinancialexpress.com.bd/trade-market/govt-forms-wage-board-for-printing-press-workers-1580239037>

### Steps taken to build railway in Barishal

Railway Minister Nurul Islam Sujon on Tuesday said the government has taken an initiative for construction of railway in Barishal in order to bring the southern district under railway network, reports BSS. "The government has taken initiative for building railway in Barishal district as the government has already finalised the alignment of the project," said the minister while responding a star-marked question made by Jatiya Party lawmaker Nasrin Jahan Ratna of Barishal-6 constituency in the Jatiya Sangsad (Parliament)..

<https://today.thefinancialexpress.com.bd/trade-market/steps-taken-to-build-railway-in-barishal-1580239114>

### Stock

#### **Bad news for Grameenphone: Low profit, uncertain dividend**

For Grameenphone, it is all bad news for now. The company posted a meagre profit in 2019. It could have been even worse by being in the negative, had the company not revised its previous year's data. Topping it all off, Grameenphone fears that Telenor, its lion shareholder, may not approve the final dividend in the upcoming annual general meeting (AGM) if its hurdle to repatriate dividends remains unresolved. Grameenphone posted a record revenue of Tk14,377 crore in 2019 – an 8 percent year on year growth. The telecom service provider also posted a 3.4 percent growth in net profit after tax, resulting in earnings per share (EPS) of Tk25.56.

<https://tbsnews.net/bangladesh/telecom/bad-news-grameenphone-low-profit-uncertain-dividend-40043>

<https://www.newagebd.net/article/97948/gp-profit-growth-slows-in-2019-amid-tussle-with-regulator>

<https://www.dhakatribune.com/business/2020/01/28/gp-declares-lowest-dividend-in-five-years>

#### **GP appoints new CMO**

Grameenphone announced the appointment of Sajjad Hasib as their new Chief Marketing Officer (CMO) which would be effective from February 1. Sajjad will be the successor of Yasir Azman and second Bangali CMO after Azman, who will be undertaking the role of CEO as announced earlier this month, said a press release.

<https://www.dhakatribune.com/business/2020/01/28/gp-appoints-new-cmo>

#### **Marico Bangladesh launches digital brand Studio X**

Marico Bangladesh, a consumer product multinational company, has launched its first male grooming brand named 'Studio X' in Bangladesh with a wide range of premium products for men. This range comprises of shampoos, face wash, hair gels and deodorants for men. The brand also launched a website [www.studioxstyle.com](http://www.studioxstyle.com) for the style-conscious men of Bangladesh. The website has been designed with information on grooming and styling for men.

<https://tbsnews.net/feature/new-productsservice/marico-bangladesh-launches-digital-brand-studio-x-39959>

### Bank and NBFI

#### **ABB advises banks on single-digit interest rates**

The Association of Bankers, Bangladesh (ABB) has advised all the commercial banks to start the process of implementing the single-digit deposit and lending rates. The advice was made at a meeting held on Tuesday night in the city with ABB Chairman Ali Reza Iftekhar in the chair, according to informed sources. Mentioning that some of the banks have already slashed their deposit rates, the meeting also suggested that

other banks take steps to bring down their deposit rate by February 01, 2020.

<https://today.thefinancialexpress.com.bd/first-page/abb-advises-banks-on-single-digit-interest-rates-1580234443>

### **BB asks banks to display a/c fees**

The central bank has asked all the scheduled banks to ensure display along with releasing account maintenance fee in their headquarters, branches and agent banking outlet's notice boards and websites. The Bangladesh Bank (BB) issued a circular in this connection on Tuesday and asked the managing directors (MDs) and chief executive officers (CEOs) of the commercial banks to follow the instruction on display along with releasing such information on fee properly.

<https://today.thefinancialexpress.com.bd/first-page/bb-asks-banks-to-display-ac-fees-1580234393>

<https://www.newagebd.net/article/97951/banks-must-display-service-charge-list>

### **New banks seek more time to offload shares**

Even six years after coming into operation, the fourth generation banks say they are not yet prepared to offload shares in the capital market, and have asked for a further time extension from the central bank. Three banks – NRB Commercial Bank, NRB Bank and Midland Bank – have already applied for a second time seeking the deadline extension. Another five new banks – NRB Global Bank, Meghna Bank, Modhumoti Bank, Padma Bank and Union Bank – are yet to decide on offloading their shares. Only South Bangla Agriculture and Commerce (SBAC) Bank appointed an issue manager in April last year to complete its share offloading process.

<https://tbsnews.net/economy/banking/new-banks-seek-more-time-offload-shares-39987>

### **Sonali misses 2019 defaulted loan recovery target by miles**

State-run Sonali Bank Limited, which now holds the third largest loan portfolio and the second highest volume of defaulted loans among the country's scheduled banks, missed its defaulted loan recovery target by a huge margin in the year 2019. The Sonali managed to recover only Tk 820.35 crore in cash along with regularising Tk 2,377.1 crore in defaulted loans, taking its defaulted loan recovery to Tk 3,197.45 crore in last year, according to a report of the entity. The amount of cash recovery by the Sonali is only 6.73 per cent of the annual defaulted loan recovery target set by the government.

<https://www.newagebd.net/article/97945/sonali-misses-2019-defaulted-loan-recovery-target-by-miles>

### **Capital Market**

#### **Directors of two cos face music**

The securities regulator on Tuesday fined directors of two companies - Aman Feed and Regent Textile Mills-for breaching a number of securities rules. The BSEC also approved the corporate governance codes (CGC) by

bringing some changes in the existing corporate governance guidelines. The stock market regulator fined Tk 2.50 million each directors of Aman Feed (except nominated and independent ones) as the company not use the initial public offering (IPO) fund as per declaration and submitted false information to the regulator in this regard.

<https://today.thefinancialexpress.com.bd/stock-corporate/directors-of-two-cos-face-music-1580229470>

<https://tbsnews.net/economy/8-aman-feed-directors-fined-tk25-lakh-each-over-false-information-40005>

### **ICAB advised to take action against auditor ACNABIN**

Stock market regulator Bangladesh Securities and Exchange Commission on Tuesday decided to advise the Institute of Chartered Accountant of Bangladesh to take necessary action against chartered accountant ACNABIN for violation of securities rules and professional misconduct. It said that ACNABIN made unprofessional conduct when auditing of capital raising of Aman Feed through an initial public offering. The chartered accountant firm did not mention violation of securities rules regarding IPO proceed utilisation by Aman Feed in its audit reports, violating Securities Ordinance, 1969.

<https://www.newagebd.net/article/97946/icab-advised-to-take-action-against-auditor-acnabin>

### **BSEC toughens corporate governance code**

The Bangladesh Securities and Exchange Commission on Tuesday augmented punitive measures by inserting provision of delisting or suspension of share trading into the corporate governance code for breaching the code by any listed company. It said that the commission approved some amendments to the corporate governance code issued by the regulator. If any listed company fails to comply with any provision of the CGC, it would be punishable offence under the Securities Ordinance, 1969, the press release said.

<https://www.newagebd.net/article/97949/bsec-toughens-corporate-governance-code>

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

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