

## Bangladesh market snapshot

	Last closing
DSEX Index	4,881.82
% change	0.26%
DS30 Index	1,698.80
% change	0.54%
DSES Index	1,120.92
% change	0.18%
Turnover (BDT mn)	7,662.15
Turnover (USD mn)	91.22
% change	1.04%
Market Capitalization (BDT bn)	3,908
Market Capitalization (USD bn)	46.52
% change	0.07%

Source: Dhaka Stock Exchange

## International market snapshot

	Last closing
Dow Jones Industrial Average	29,910.37
% change	+0.13%
Nikkei 225	26,666.91
% change	+0.08%
FTSE 100	6,367.58
% change	+0.07%

Source: Bloomberg

## Exchange rate

Currency	BDT
USD	84.80
EUR	101.46
GBP	112.94
INR	1.15

Source: Bangladesh Bank

## Money market

Date	Call Money Rate Range (%)	Weighted Average (%)
26-Nov-2020	1.00-5.25	1.87
25-Nov-2020	1.00-5.25	1.95

Source: Bangladesh Bank

## Commodities

	Price	% Change
Brent Crude (Oil), USD/bbl	47.72	-0.95%
Gold Spot, USD/t oz	1,772.04	-0.88%
Cotton, USD/lb	73.13	-0.15%

Source: Bloomberg

## Bank and NBFI

### Regulatory forbearance fuels banks' capital

The banking sector's capital base got stronger in the third quarter this year thanks to the regulatory forbearance provided by Bangladesh Bank. As of this September, the average capital adequacy ratio (CAR), which determines the adequacy of a bank's capital in keeping with their risk exposure, stood at 11.94 per cent, up from 11.63 per cent three months earlier and 11.65 per cent year-on-year. Four state-run and six private banks enjoyed a regulatory forbearance of Tk 17,194 crore, which, they were supposed to set aside as provisioning against their defaulted and regular loans between July and September.

<https://www.thedailystar.net/business/news/regulatory-forbearance-fuels-banks-capital-2003389>

## Fuel and power

### HSFO imports likely to fall by 40pc in winter

Import of high sulfur fuel oil, or HSFO, during winter is projected to fall by around 40 per cent due to less consumption in the power plants commensurate with the lower electricity demand in the season. The demand for the fuel oil is unlikely to increase even though the plan to import LNG, or liquefied natural gas, from the spot market for December delivery gets highly uncertain due to higher than expected price offer in a recent bid. The overall import of HSFO might be around 150,000 tonnes in December. The privately-owned power plants are the lone importer of HSFO in Bangladesh.

<https://today.thefinancialexpress.com.bd/last-page/hsfo-imports-likely-to-fall-by-40pc-in-winter-1606673488>

## Contempt rule against BERC chief

The High Court on Sunday issued a contempt of court rule against the chairman of Bangladesh Energy Regulatory Commission (BERC) for not complying with its directive over setting the price of liquefied petroleum gas (LPG). In the rule, the HC asked the BERC chairman to explain in two weeks as to why contempt of court proceedings should not be initiated against him and should not be punished for not implementing its directives. The BERC has recently submitted a report in the High Court, saying that they had formed a committee for fixing the price of LPG and the committee is working on the issue.

<https://today.thefinancialexpress.com.bd/first-page/contempt-rule-against-berc-chief-1606673274>

## Transportation

### Bumpy ride for tyre sellers

The coronavirus pandemic hit the market with a tsunami of problems, which started with a huge slide in the number of vehicles on the roads thanks to a movement restriction imposed by the government to curb the spread of the virus. The demand for tyres

also experienced a steep fall when its supply dried up as the local and international manufacturers closed their doors amid lockdowns to keep the Covid-19 at bay. Now the market players in Bangladesh see a 20 per cent year-on-year decline in automotive tyre sales this year because of the complete halt in business in the three months since March. Some Tk 5,000 crore worth of tyres were sold in 2019, of which Tk 3,900 crore were of commercial vehicles and Tk 1,100 crore of passenger vehicles.

<https://www.thedailystar.net/business/news/bumpy-ride-tyre-sellers-2003353>

## Insurance

### IDRA to scan non-life insurers' accounts

The insurance regulator is set to scrutinise the bank accounts of all non-life insurers as part of its efforts to protect the interests of the policyholders and establish good governance in the companies. The regulator, in a circular issued on July 2, 2019, said the insurance companies could open a maximum of three bank accounts for receiving premium money. After one and a half year of issuance of the circular, the IDRA has now moved to check how many bank accounts the non-lifers actually have and whether those are maintained in line with the regulator's directive.

<https://today.thefinancialexpress.com.bd/first-page/idra-to-scan-non-life-insurers-accounts-1606671966>

## Capital Market

### Move to make bonds tradable through BO accounts

A high-profile meeting on Sunday decided to take steps to make all kinds of bonds, including Treasury bond (T-bond), tradable through investors' BO (beneficiary owner's) accounts by removing existing legal and technical barriers. Representatives of the finance ministry, Bangladesh Bank (BB), the securities regulator, Dhaka and Chittagong stock exchanges, and the Central Depository Bangladesh Limited (CDBL) attended the meeting held at the office of Dhaka Stock Exchange (DSE). They have already received an instruction from the government to accelerate the process of making the bond market popular. However, there are some legal and technical barriers standing in the way of making this happen.

<https://today.thefinancialexpress.com.bd/first-page/move-to-make-bonds-tradable-through-bo-accounts-1606673328>

### Robi IPO oversubscribed, sees third-highest retail demand

Investors have placed bids for Tk 2,226.4 crore of shares in Robi's initial public offering as the mobile phone operator looks to raise a record fund from the stock market. The bids are 5.74 times the proceeds the second-largest carrier is hoping to receive from the eligible investors, general public and non-resident Bangladeshis. The subscription is the third-highest in Bangladesh's stock market history. Acme Laboratories topped the IPO subscription chart with bids for Tk 2,760 crore of its shares, followed by Mobil Jamuna's Tk 2,235 crore.

<https://www.thedailystar.net/business/news/robi-ipo-oversubscribed->

[sees-third-highest-retail-demand-2003349](#)

<https://www.newagebd.net/article/122958/128-lakh-general-investors-apply-for-robis-ipo-shares>

## Stock

### IFC invests \$25m in Bank Asia

In an effort to provide liquidity to businesses affected by the COVID-19 pandemic in Bangladesh and help preserve jobs, IFC, a member of the World Bank Group, is making a fresh investment in the Bank Asia Limited. IFC's \$25 million loan to Bank Asia Limited will provide critical working capital to help small and medium enterprises (SMEs) and corporate clients to continue their operations. SMEs comprise over 90 per cent of businesses in Bangladesh and employ over 20 per cent of the adult population.

<https://today.thefinancialexpress.com.bd/stock-corporate/ifc-invests-25m-in-bank-asia-1606667677>

<https://tbsnews.net/economy/banking/ifc-invest-25m-bank-asia-support-pandemic-hit-businesses-164827>

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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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