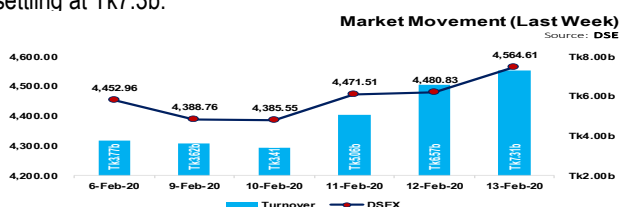


BB devise package to boost stock market

Bangladesh Bank (BB) again came up with a package to infuse liquidity in the ailing stock market allowing all scheduled banks to invest up to Tk2b in excess of regulatory limit till January 13, 2025. Banks are now allowed to create a special fund of Tk2b from their own source or by taking loan at 5% interest through repurchase agreement (repo) against Treasury Bills (T-Bills) and Bonds (T-Bonds) from the central bank. This investment would not be calculated with the solo or consolidated capital market exposure limit of the banks. BB also waived banks from maintaining provisioning against this special investment. The banks are also allowed to lend this money to their subsidiaries like merchant banks, brokerage houses and other market intermediaries at 7% interest rate. BB also extended the privilege of such investment by not including the loan into Advance-Deposit Ratio (ADR) calculation of the banks. The move came on the backdrop of Prime Minister's instruction to take long and short term measures to revive capital market. However, the central bank included a set of instructions for banks on how to invest the fund. The fund can only be invested in listed securities, fixed income securities including government treasury bonds, special purpose funds approved by the Bangladesh Securities and Exchange Commission (BSEC), and mutual funds. In case of investing in equity shares of listed companies, the fund can only be invested in those which have disbursed at least 10% dividend for the last three years and whose free-float shares did not exceed 70% of total shares outstanding. Banks are restricted to purchase their own shares and also cannot buy more than 2% of total shares issued by other banks and financial institutions. As per the BB statistics, scheduled banks were holding government T-Bills and T-Bonds worth of Tk1.95 trillion as of January, 2020. According to market experts, if banks take advantage of this circular, then it would create a fund worth around Tk126b to invest in the stock market. Following the move, the premiere bourse observed significant rise in index, turnover, and market capitalization. Market participation in Dhaka Stock Exchange (DSE) improved substantially as the turnover hit around 12-month high on the closing session of last week by settling at Tk7.3b.

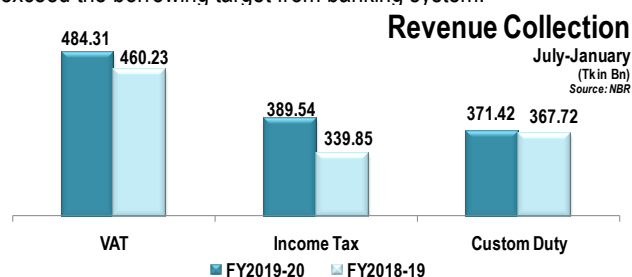


Five SoBs to get listed on stock exchange

The government decided to offload shares of five State-owned Banks (SoBs) in the stock exchanges within October, 2020 as an effort to overhaul the ailing capital market. As per the decision, one-fourth or 25% stakes of Sonali Bank, Agrani Bank, Janata Bank, Rupali Bank and Bangladesh Development Bank Limited will be divested on the stock market under the coordination of the state-run merchant bank Investment Corporation of Bangladesh (ICB). This movement will be in effect by offloading 15% shares of Rupali Bank as it has already 10% floating shares in the stock market. The Finance Minister opined that this listing decision of four SoBs as well as seven government entities from power sector with the bourses will encourage the institutions and the foreign investors to extend investment in the stock market. On the other hand, the government passed Bangladesh Road Transport Corporation (BRTC) Bill, 2020 to offload 49% shares of BRTC publicly in the capital market.

NBR falls short of target by 24.10% in Jul-Jan 2019-20

The National Board of Revenue (NBR) collected Tk1,245.27b in the first seven months of FY2019-20 registering a minimal growth of 6.72% (Y-o-Y) whereas government set a revenue growth target of 16.26% for the current fiscal as against the revised target of previous fiscal. As per the provisional figures of the NBR, the collection fell short of target by Tk395.42b set for the period mainly due to the lackluster performance of the Value-Added Tax (VAT) and custom wings of NBR alongside the other economic woes. Revenue collection from income tax and VAT wings registered 14.65% (Y-o-Y) and 5.42% (Y-o-Y) growth respectively in the period while the customs wing registered a minimal growth of 1.01% (Y-o-Y). Economists criticized the ambitious target set by the government expressing concern on the sluggish revenue mobilization that pushed the government to exceed the borrowing target from banking system.



Trade deficit rises by 5.41% in July-December last

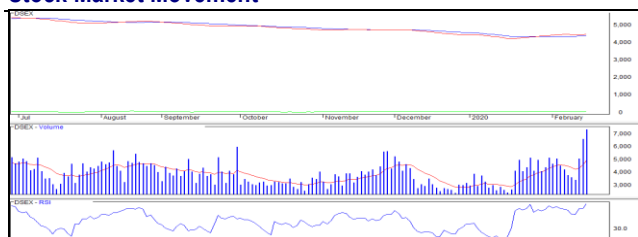
Trade deficit under the Balance of Payments (BoP) account fattened by 5.41% (Y-o-Y) to US\$8.22b in the July-December period (H1) of FY2019-20 on the back of sluggish international trading activities. As per the statistics of Bangladesh Bank (BB), receipts from export squeezed by 5.89% in the first half of the fiscal year while import bills also decreased by 2.71% in the same period. However, current account deficit declined to US\$1.34b in the period as against US\$3.39b in the same period of the previous fiscal riding on the impressive remittance growth. Inward remittance soared to US\$9.37b in the first half as against US\$7.48b in the corresponding period of last fiscal year thanks to financial incentive provided by the government. In the period, Foreign Direct Investment (FDI) grew by 3.94% (Y-o-Y) to US\$2.74b while medium and long-term foreign loans decreased to US\$2.57b. The overall balance of BoP account stood at US\$27m in December last year while it was US\$513m in the negative in the same period of the previous fiscal year. Economists caution that long term imbalance in the BoP account might exert immense pressure on economy.

Revenue from DSE plummets in last Jul-Jan period

Government revenue from the Dhaka Stock Exchange (DSE) dived by 39.31% (Y-o-Y) in the first seven months of FY2019-20 on the back of depression in the stock market. According to the statistics of the bourse, revenue worth Tk846m was collected in last July-January period against Tk1,394m in the corresponding period of the previous fiscal. Of the total tax revenue, the bourse collected Tk541m from brokerage commission and Tk305m from sale of shares by the sponsor-directors of listed companies and placement holders. The daily average turnover during the period came down to Tk3.81b, which was Tk6.98b in the corresponding period of the previous fiscal. Bearish trend in the capital market caused the DSE index to erode 951.97 points or 17.56% in the period. However, government earnings from the bourse rose by 30% in January, 2020 compared to the previous month. In January, government revenue was Tk119m as against Tk91m in December, 2019.

The week's data runs 06 February 2020 to 13 February 2020

Stock Market Movement



Global Markets

	This Week	Last Week	+/- %
S&P 500	3,380.16	3,327.71	1.58
FTSE 100	7,409.13	7,466.70	-0.77
Nikkei 225	23,687.59	23,827.98	-0.59
SENSEX	41,257.74	41,141.85	0.28
KSE 100	40,243.26	40,143.63	0.25

DSE Indicators

	This Week	Last Week	+/- %
DSE Broad Index	4,564.61	4,452.96	2.51
Total Turnover, Tk	25,965,049,959.00	22,220,631,177.00	16.85
Market Capital, Tk	2,884,189,762,990	2,820,124,911,101	2.27
No of Issue Gain	246	173	
No of Issue Loss	94	152	
No of Unchanged Issues	18	33	

Top Gainers

Company	Last Week	This Week	Change %	Turnover (Tk)
Orion Pharma Ltd.	27.80	37.50	34.89	208,773,000
ICBPMF1S1	4.60	6.00	30.43	37,818,000
Orion Infusion Ltd.	53.50	69.00	28.97	581,430,000
SK Trims	49.40	62.40	26.32	536,546,000
ICBAGRANI1	5.70	7.00	22.81	64,625,000
ICBSONALI1	5.90	7.20	22.03	9,204,000
Far Chemical	7.30	8.80	20.55	91,244,000
Saiham Textile Mills	29.20	35.20	20.55	12,124,000
Hakkani Pulp	53.70	64.50	20.11	106,653,000
AIBL 1st Islamic MF	6.70	8.00	19.40	21,069,000

Top Losers

Company	Last Week	This Week	Change %	Turnover (Tk)
Shyampur Sugar Mills	34.2	30.00	-12.28	561,000
Northern Jute	508.9	455.90	-10.41	260,606,000
Eastern Lubricants Ltd.	959.9	872.60	-9.09	20,836,000
Samata Leather	176.3	163.00	-7.54	140,612,000
Emerald Oil Industries	15.0	13.90	-7.33	2,819,000
Standard Ceramic	621.8	577.20	-7.17	184,453,000
United Airways (BD)	1.6	1.50	-6.25	5,984,000
Rangpur Dairy & Food	14.6	13.70	-6.16	44,860,000
Delta Spinners Ltd.	5.0	4.70	-6.00	2,397,000
Monno Jute Staffers	867.2	815.3	-5.98	181,790,000

Sectoral Index & Turnover

Sector	Sectoral Index			Turnover (Tk.M)		
	This Week	Last Week	Change %	This Week	Last Week	Change %
Bank	359.21	351.97	2.06	1,245.67	916.35	35.94
Cement	265.82	255.14	4.19	1,509.16	1,748.61	-13.69
Ceramic	606.10	593.80	2.07	363.40	486.94	-25.37
Engineering	1,926.37	1,844.80	4.42	3,738.13	3,356.76	11.36
Food & Al.	3,619.38	3,585.40	0.95	830.28	947.77	-12.40
Fuel & Pow.	3,701.98	3,604.95	2.69	2,126.89	2,219.66	-4.18
Insurance	1,586.59	1,582.61	0.25	1,712.69	1,833.23	-6.58
IT	331.65	322.27	2.91	902.25	848.52	6.33
Jute	1,113.89	1,178.38	-5.47	279.86	254.15	10.12
Misc.	1,123.27	1,101.50	1.98	1,564.27	1,209.71	29.31
Mutual Fund	413.72	388.10	6.60	767.64	326.80	134.90
NBFI	965.77	879.14	9.85	530.79	480.78	10.40
Paper	7,361.69	6,418.28	14.70	225.04	148.82	51.21
Pharma	1,089.21	1,072.17	1.59	3,910.33	2,311.85	69.14
Service	1,016.14	933.57	8.84	263.21	161.19	63.29
Tannery	669.42	661.93	1.13	452.47	264.67	70.96
Telecom	2,412.22	2,429.66	-0.72	605.29	780.38	-22.44
Textile	1,193.99	1,143.99	4.37	3,581.76	2,981.03	20.15
Travel & Leis	573.56	560.48	2.33	153.87	154.74	-0.56

Technical Talk

Dhaka stocks bounced back strongly in the last week ended on Thursday as investors put fresh funds in shares riding on the central bank's incentive package to boost the ailing market. The Bangladesh Bank (BB) allowed all scheduled banks to form a Tk2b special fund each by taking low-interest loans from the BB to invest in the stock market. Among the major sectors, NBFI sector increased by 9.85% over the week followed by Mutual Fund 6.60%, Engineering 4.42%, Textile 4.37%, Fuel & Power 2.69%, Bank 2.06% and Pharma 1.59%.

DSE Broad Index (DSEX) reached 4,564.61 points increased by 111.65 points or 2.51% from the previous week. Total turnover reached at Tk25,965.05m which was 16.85% higher than the previous week. Market capitalization increased by 2.27% and stood at Tk2,884.19b (\$33.97b) at the weekend against Tk2,820.12b. DSE 30 increased by 22.77 points or 1.50% and closed at 1,536.63 points against 1,513.86 points. Last week's weighted average Market PE was 12.06 which was 11.71 previous week.

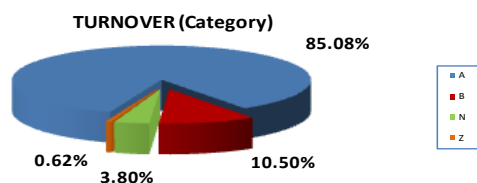
Top Turnover Companies

Company	Volume	Value (Tk)	% of total
LafargeHolcim	26,693,552	1,265,369,000	4.87
Khulna Power	11,772,553	627,570,000	2.42
Indo-Bangla Pharma	25,810,819	612,097,000	2.36
ADN Telecom Limited	13,055,325	610,111,000	2.35
Orion Infusion Ltd.	8,941,459	581,430,000	2.24
Shepherd Industries	23,318,776	575,086,000	2.21

Top 10 Market Capital

			In million
GP	349,458	ICB	68,686
BATBC	194,256	Berger Paint Bd.	65,235
Square Pharma	179,854	BRAC Bank Ltd.	57,352
United Power	137,757	LafargeHolcim	56,327
RENATA	87,832	MARICO	52,977

Category wise Turnover



Commodity Price

	This Week	Last Week	Change %
Gold (USD/t oz.)	1,581.80	1,565.10	1.07
Silver (USD/t oz.)	17.60	17.79	-1.06
Brent Crude Oil (USD/bbl.)	56.34	54.93	2.57

Exchange Rate

	This Week		Last Week		Change %	
	TT	BC	TT	BC	TT	BC
USD	84.90	84.95	84.90	84.95	0.00	0.00
EUR	92.44	92.50	93.40	93.46	-1.03	-1.03
GBP	111.07	111.14	109.74	109.81	1.21	1.21
AUD	57.31	57.35	56.94	56.97	0.66	0.66
JPY	0.78	0.78	0.78	0.78	-0.01	-0.03
CAD	64.39	64.42	64.10	64.14	0.45	0.45
SAR	22.75	22.76	22.75	22.76	0.01	0.01

Based on Standard Chartered selling rates to public in Taka. Notes: USD-US Dollar, GBP-Great Britain Pound, AUD-Australian Dollar, JPY-Japanese Yen, CAD-Canadian Dollar, SAR-Saudi Riyal.

Last Public Offerings

Company	Subscription Period	Offer Price	IPO (M.Tk)
N/A			