

Loan repayment relaxed til 2022

Bangladesh Bank (BB) extended the policy support further involving loan repayments to the scheduled banks by their borrowers. BB issued a circular in this regard on March 24, 2021. The central bank came up with the deferral policy for loan classification amid a fresh surge in coronavirus infection rate. Different types of facilities have been given depending on the type of loans. Policy relaxation introduced for the working capital and demand loans would not be applicable to the loans extended under the stimulus packages. The working capital loans, where repayment periods have already expired, will be treated as regular loans until June 30, 2022 if the borrowers pay their unpaid interests on a quarterly basis, as per the BB notice. This type of loan will not default until that date. Interest on the working capital loans of last year, the repayment periods of which have already expired, can be paid within June 2022 in six quarterly installments. On the other hand, the borrowers were allowed to repay their demand loans covering both interest and principal amount in eight quarterly installments from March 2021 to December 2022, the circular added. The demand loans would not be treated as Non-Performing Loans (NPLs) if the installments are paid as per schedule. The lenders can remove the facility if borrowers have failed to pay their installments, as per the BB notice. Meanwhile, the time period for repayment of the term loan was supposed to end on March 31, 2021, but it has been extended for another three months till 30 June this year. The customer will not be a defaulter till that date. As per the statistics of BB, NPLs stood at Tk887.34b at the end of December last year as against Tk943.31b in the end of the previous year, as a result of rescheduling and remissions.

Alternative Trading Board soon

The Dhaka Stock Exchange (DSE) has completed all technical preparations to launch the Alternative Trading Board (ATB). Trading and settlement will be similar to the processes followed for the securities on its main board. The Bangladesh Securities and Exchange Commission (BSEC) on December 03, 2019 approved the BSEC (Alternative Trading Board) Rules, 2019 keeping provision of trading in all type of non-listed securities, including debenture, sukuk, open-end mutual funds and alternative investment funds. However, the securities must meet some requirements and eligibilities to be traded on the board. Trading of shares of delisted companies will also be allowed on the board on some conditions.

Remittance declines from top countries in Q4 of 2020

Inward remittance declined from the top countries in the fourth quarter of last year due mainly to the global Covid-19 pandemic that negatively affected migrations. Bangladeshi expatriates sent US\$6.23b in remittances during the October-December quarter of 2020, down by 7.17% from the previous quarter, according to the quarterly report of Bangladesh Bank (BB). Remittance inflow from top countries, including Saudi Arabia, UAE, Oman, Bahrain, Qatar, Italy, and Singapore witnessed a declining trend. During the fourth quarter of last year, Bangladesh received US\$3,402.56m as remittance from the Gulf countries-Saudi Arabia, UAE, Qatar, Oman, Bahrain, and Kuwait, US\$724.47m from EU countries-UK, Germany and Italy, US\$752.34m from Asia-Pacific countries, US\$831.27m from the US and US\$520.91m from other countries, according to the said central bank report.

BB raises dividend payment limit for NBFIs

Non-Bank Financial Institutions (NBFIs) would now be allowed to declare maximum 30% dividend for shareholders. Of the 30% dividend, highest 15% can be issued as cash while the rest 15% can be issued as stock dividends. BB issued a revised circular on March 22, 2021 and clarified the extent of the declaration of dividends considering the overall aspect. Apart from this, other instructions of the circular issued on February 24, 2021 will remain unchanged. As per the earlier policy, no NBFIs can disburse more than 15% cash dividend in order to ensure better liquidity to offset the economic impacts of Covid-19. The NBFIs which are taking deferral facility from the central bank for their provisioning deficit will not be allowed to declare dividend until the deferral is over. But, in such cases, with permission from the central bank, a maximum 5% stock dividend could be allowed, said the circular. Any NBFIs with more than 10% default loans would need to obtain central bank approval to announce any dividend. While the NBFIs, which have a Capital Adequacy Ratio (CAR) of less than 10% and more than 10% default loans will not be allowed to declare any dividend. BB also withdrew the similar measures suggested for the banks earlier on March 16, 2021. As per the new policy, banks having strong capital base can declare higher dividends. The dividend policy shall be followed by all banks from the financial year that ended on December 31, 2020.

Regulators to mandate listing of perpetual bonds

The Bangladesh Securities and Exchange Commission (BSEC) and the Bangladesh Bank (BB) sat together on March 15, 2021 to develop market supportive measures to motivate diversified investors to the capital market. Both regulators decided that the perpetual bonds, which are issued by banks, must be listed on the stock exchanges within 30 days of their subscription closure. This move of listing the perpetual bonds will facilitate the option to exit for the investors in these bonds. However, BSEC is set to issue detailed instructions in this regard soon. Since mid-2020, eight banks have so far raised Tk37b in total by issuing these instruments to strengthening the Tier-I capital base complying with Basel- III guidelines. Apart from the perpetual bond, the regulators also agreed to make the treasury securities, both T-bills and T-bonds, tradable in the stock exchanges to make available these government instruments to all types of investors.

Perpetual Bonds Issued in 2020	
Bank Name	Tk (bn)
The City Bank	4.0
Mutual Trust Bank	4.0
Trust Bank	4.0
Jamuna Bank	4.0
One Bank	4.0
First Security Islami Bank	6.0
Social Islami Bank	5.0
Exim Bank	6.0

Stock Market Movement



Global Markets

	This Week	Last Week	+/- %
S&P 500	3,974.54	3,913.10	1.57
FTSE 100	6,740.59	6,708.71	0.48
Nikkei 225	29,176.70	29,792.05	-2.07
SENSEX	49,008.50	49,858.24	-1.70
KSE 100	45,521.63	44,901.31	1.38

DSE Indicators

	This Week	Last Week	+/- %
DSE Broad Index	5,327.22	5,434.69	-1.98
Total Turnover, Tk	30,088,429,861	26,278,582,121	14.50
Market Capital, Tk	4,045,230,630,920	4,130,822,968,430	-2.07
No of Issue Gain	53	72	
No of Issue Loss	221	210	
No of Unchanged Issues	94	86	

Top Gainers

Weighted avg. Closing Price (Tk)

Company	Last Week	This Week	Change %	Turnover (Tk)
Nitol Insurance	40.30	48.80	21.09	193,095,000
Asia Pacific Gen. Ins.	50.90	61.00	19.84	71,197,000
Premier Leasing	5.50	6.30	14.55	18,836,000
Purabi Gen. Ins.	22.20	24.80	11.71	70,971,000
Continental Ins.	30.30	33.70	11.22	65,596,000
Paramount Ins.	106.00	115.70	9.15	65,134,000
Republic Insurance	43.40	47.20	8.76	480,379,000
Mercantile Insurance	30.60	33.10	8.17	47,127,000
Peoples Insurance	31.90	34.50	8.15	65,995,000
Central Insurance	58.30	62.60	7.38	145,058,000

Top Losers

Weighted avg. Closing Price (Tk)

Company	Last Week	This Week	Change %	Turnover (Tk)
Anlima Yarn Dyeing	46.00	36.60	-20.43	102,895,000
Fine Foods	58.10	50.50	-13.08	109,831,000
Bd.Thai Aluminium	22.80	19.90	-12.72	62,189,000
GBB Power	31.70	27.80	-12.30	610,927,000
Lub-ref (Bangladesh)	43.10	37.80	-12.30	433,638,000
Beacon Pharma	124.10	108.90	-12.25	356,551,000
LankaBangla Finance	32.10	28.20	-12.15	1,286,004,000
eGeneration	32.50	28.70	-11.69	105,744,000
Aramit Cement	29.50	26.10	-11.53	34,329,000
Rahima Food	266.70	236.70	-11.25	497,101,000

Sectoral Index & Turnover

Sector	Sectoral Index			Turnover (Tk.M)		
	This Week	Last Week	Change %	This Week	Last Week	Change %
Bank	379.85	375.43	1.18	3,669.85	2,208.17	66.19
Cement	280.47	293.24	-4.35	881.06	1,198.43	-26.48
Ceramic	557.98	563.05	-0.90	148.27	120.50	23.05
Engineering	6,688.98	6,977.01	-4.13	1,636.28	1,753.96	-6.71
Food & Al.	4,940.40	4,899.95	0.83	1,624.95	1,697.85	-4.29
Fuel & Pow.	3,753.80	3,860.00	-2.75	2,690.27	3,690.04	-27.09
Insurance	1,928.23	1,907.45	1.09	2,550.91	1,025.76	148.69
IT	362.56	373.34	-2.89	267.06	353.51	-24.45
Jute	1,194.76	1,279.31	-6.61	118.80	150.00	-20.80
Misc.	1,858.92	1,913.96	-2.88	4,106.76	3,672.40	11.83
Mutual Fund	437.87	457.20	-4.23	289.93	297.64	-2.59
NBFI	1,032.03	1,083.38	-4.74	1,840.26	1,650.48	11.50
Paper	6,504.91	6,748.55	-3.61	112.87	162.16	-30.39
Pharma	1,327.74	1,365.53	-2.77	3,970.53	3,175.30	25.04
Service	1,068.42	1,111.95	-3.91	242.20	294.59	-17.78
Tannery	590.07	595.97	-0.99	164.62	144.77	13.72
Telecom	4,714.63	4,858.43	-2.96	2,158.09	2,333.56	-7.52
Textile	1,099.32	1,117.98	-1.67	549.17	890.63	-38.34
Travel & Leis	551.74	552.82	-0.20	31.74	43.87	-27.65

Technical Talk

Dhaka stocks plunged further in the last week extending the losing streak for the second week as panic-driven investors continued their sell-offs amid fears of a fresh wave of virus due to rising trends of Covid-19 infections. Among the major sectors, Non-Bank Financial Institutions (NBFI) faced the highest correction; losing 4.74% over the week despite the central bank enhanced the dividend limit for NBFIs to 30% from 15%, followed by cement sector 4.34%, Mutual Fund 4.23%, Engineering 4.13% and Telecom by 2.96%.

DSE Broad Index (DSEX) stood at 5,327.22 points after decreasing by 107.47 points or 1.98% from the previous week. Total turnover reached at Tk30088.43m, which was 14.50% higher than the previous week. Market capitalization decreased by 2.07% and stood at Tk4045.23b (\$47.65b) at the weekend against Tk4130.82b. DSE 30 decreased by 52.99 points or 2.56% and closed at 2,020.90 points against 2,073.89 points. Last week's weighted average Market PE was 16.43 which was 16.90 previous week.

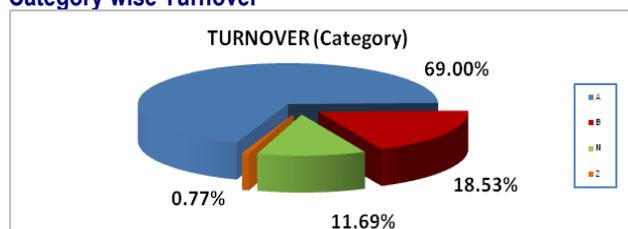
Top Turnover Companies

Company	Volume	Value (Tk)	% of total
Beximco	47,930,756	3,570,715,000	11.87
Beximco Pharma	11,104,050	2,033,136,000	6.76
Robi Axiata	35,173,575	1,603,711,000	5.33
LankaBangla Finance	42,694,096	1,286,004,000	4.27
Premier Bank	64,564,907	863,744,000	2.87
NRB Commercial Bank	62,191,384	794,178,000	2.64

Top 10 Market Capital

			In million
GP	455,996	United Power	141,920
Walton Hi-Tech	365,574	RENATA	104,021
BATBC	292,788	Berger Paint	81,389
ROBI	232,040	Beximco Pharma	75,515
Square Pharma	169,186	ICB	68,226

Category wise Turnover



Commodity Price

	This Week	Last Week	Change %
Gold (USD/t.oz)	1,731.60	1,743.90	-0.71
Silver (USD/t.oz)	25.11	26.34	-4.65
Brent Crude Oil (USD/bbl)	64.29	64.48	-0.29

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	102.42	102.48	103.59	103.65	-1.13	-1.13
GBP	119.23	119.30	121.37	121.44	-1.76	-1.76
AUD	64.91	64.95	66.76	66.80	-2.77	-2.77
JPY	0.79	0.79	0.79	0.79	0.00	0.00
CAD	67.91	67.95	68.79	68.83	-1.28	-1.28
SAR	22.75	22.76	22.75	22.76	0.00	0.00

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)
NRB Commercial Bank	Feb 03-Feb 09,2021	10	1,200
Desh General Insurance	Feb 14-Feb 18,2021	10	160
Index Agro Ind. Ltd.	Feb 22-Feb 28, 2021	50	500