

## Weekly Market Update

### Capital Market Overview

The market closed in red this week. The benchmark index DSEX (-0.04%) lost -2.33 points and closed the week at 6,244.17 points. The blue-chip index DS30 (+0.02%) gained 0.43 points and stood at 2,094.26 points. The Shariah-based index DSES (-0.10%) lost -1.33 points and stood at 1,362.81 points. The large cap index CDSET (+0.10%) gained 1.18 points and closed at 1,204.00 points. DSEX, DS30, DSES and CDSET showed YTD returns of -0.04%, +0.02%, -0.10%, +0.10%, respectively.

**Total Turnover During the Week (DSE):** BDT 16.0 billion (USD 145 million)

**Average Daily Turnover Value (ADTV):** BDT 4.0 billion (Δ% Week: -20.8%)

**Market P/E:** 19.4x

### Daily Index Movement during the Week

The market performed four sessions during this week. The market started on a negative note (-0.06%) on Monday and remained negative on Tuesday (-0.15%) but turned positive on Wednesday (0.04%). Lastly ended the week on a positive note (+0.13%) on Thursday.

### Sectoral Performance

• Financial sectors posted mixed performance this week. General Insurance booked the highest gain of 2.28% followed by Bank (+0.06%), and NBF1 (+0.06%). Mutual Fund experienced the highest loss of 1.86% followed by Life Insurance (-0.84%).

• Non-financial sectors posted mixed performance this week. Food & Allied booked the highest gain of 0.10% followed by Telecommunication (0.00%). Engineering experienced the highest loss of 0.13% followed by Pharmaceutical (-0.07%), and Fuel & Power (-0.01%).

### Macroeconomic arena

• Japan atop the list of foreign aid providers. Debt-ridden cos cleared to take forex loans. No VAT on port services for exporters: NBR. Private sector foreign loan repayment USD 5.21 Bn higher than receipt in 11 months. Seven major sectors fell from grace as export dropped. TRADE | Chattogram customs sees 4% growth in revenues amid falling imports. Bets boom as yield hits record-high 11.60%. Export ends year on high note, remittance holds pace. India-Bangladesh trade down in pre-election season. Small businesses navigated difficult times in 2023. POWER | USD 160 Mn ADB loan to boost Dhaka's energy supply, distribution. TRADE | Business at ICDs dropped in 2023. Govt sees budget surplus of BDT 118.65 Bn in Q1. Country goes into New Year with a volatile forex market. Private credit growth slows. Reserves fall short of IMF target. Record exodus, flat remittances. BANK | Sonali Bank posts highest BDT 37.27 Bn operating profit. POWER | Govt finds way to clear dues to power producers.

• TRADE | Ctg port's container handling down in 2023. Bangladesh Bank unveils SMART-derived interest rates for January. Fund crunch, inflation force startups to downsize. BANK | BDT 10 Bn released to incentivise remittance flow through banks. ENERGY | PDB owes private producers BDT 250 Bn in unpaid bills. Bangladesh to become 20th largest economy by 2038. BD trade gap with China narrows. Import of 30 high-in-demand products down 26%. External debt repayment swells up 51% in Jul-Nov. Foreign loan commitment surges 1,170% but disbursement slumps. New worries as interest payment for debt doubles in 5 months. TOURISM | Tourism fared well in 2023 despite jitters. TRADE | BD to import food items from Russia under G2G deal. ENERGY | Record losses for PDB.

### Stock Market arena

YPL | Yeakin Polymer's ownership transfer again gets BSEC nod. BANKASI1PB | Bank Asia first perpetual bond trading begins. SONALIANS1H | Sonali Aansh allowed to pay 100% stock dividend. MITHUNKNIT, BANGAS | BASIC Bank wants Mithun Knitting, Bangas sponsor-director shares as loan recovery. OLYMPIC | Olympic Industries comes first in the chase after foreign funds in 2023. EXCHANGE | Three factors that could determine stock market recovery in 2024. BERGERPBL | Berger Paints exempted from issuing rights share to big shareholders. AFTABAUTO | Aftab Automobiles suffers massive losses. EXCHANGE | NRB Bank's IPO subscription begins 28 January. ACI | ACI Limited approves 40% cash dividend. AMCL(PRAN) | Agricultural Marketing approves 32% dividend. ACIFORMULA | ACI Formulations declares 25% cash dividend. NBL | New National Bank board forms 3 committees. PHOENIXFIN | Phoenix Finance MD removed, travel ban for officials over loan irregularities.

January 01, 2024 (Week: January 01, 2024 – January 04, 2024)

**Dhaka Stock Exchange**

**DSEX ended in Red (-0.04%) in the week**

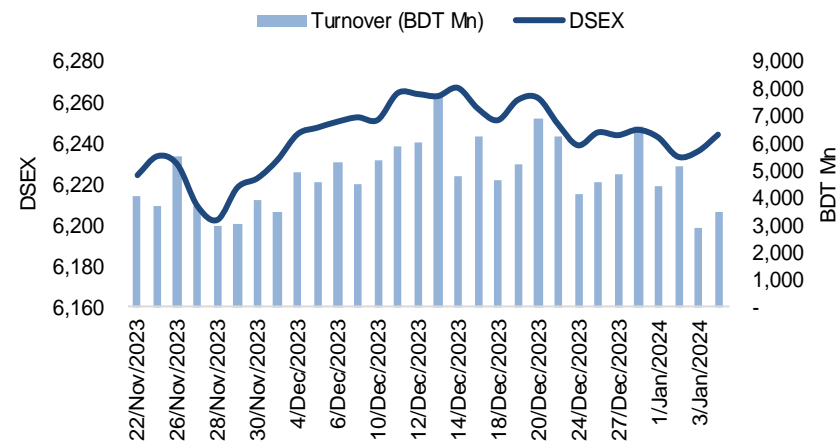
Table 1: Index

Index	Closing*	Opening*	Δ(Pts)	28-Dec-2023	Δ% Week	Δ% YTD
DSEX	6,244.17	6,246.50	-2.33	6,246.50	-0.04%	-0.04%
DS30	2,094.26	2,093.83	+0.43	2,093.83	+0.02%	+0.02%
DSES	1,362.81	1,364.13	-1.33	1,364.13	-0.10%	-0.10%
CDSET	1,204.00	1,202.82	+1.18	1,202.82	+0.10%	+0.10%

Table 2: Market Statistics

		This Week	Last Week	% Change
M cap	M n BDT	7,810,797	7,808,496	+0.0%
	M n USD	71,007	70,986	
Turnover	M n BDT	15,973	20,165	-20.8%
	M n USD	145	183	
Average Daily Turnover	M n BDT	3,993	5,041	-20.8%
	M n USD	36	46	
Volume	M n Shares	542	678	-20.0%

Figure 1: DSEX & Turnover in last four weeks



**Hossain Zaman Towhidi Khan**

Senior Research Associate

(880) 1708805224

hztowhidi.khan@bracepl.com

**Billal Hossain**

Research Associate

(880) 1708805229

billal.hossain@bracepl.com

**Table 3: Top Ten Gainers**

Company Name	Close*	Open*	Δ%	Mcap**	Turnover**	PE	PB
RUPALIINS	31.9	27.2	+17.3%	2,446	158.3	51.5x	1.5x
CRYSTALINS	98.6	85.1	+15.9%	3,944	190.5	32.2x	3.9x
KBPPWBIL	112.1	103.2	+8.6%	10,995	325.1	NM	9.4x
STANDARINS	59.9	55.4	+8.1%	2,593	342.4	25.0x	2.8x
UNIONINS	60.6	56.1	+8.0%	2,933	243.8	21.7x	3.1x
YPL	28.7	26.6	+7.9%	2,115	210.7	NM	5.4x
REPUBLIC	43.3	40.2	+7.7%	2,256	119.7	21.6x	2.4x
EASTERNINS	72.8	67.9	+7.2%	3,138	300.3	25.9x	1.4x
KAYISLMF1	7.5	7.0	+7.1%	750	235.9	NM	1.2x
IFAL&QUE	239.8	228.0	+5.2%	1,644	39.8	NM	3.1x

**Table 4: Top Ten Losers**

Company Name	Close*	Open*	Δ%	Mcap**	Turnover**	PE	PB
ICBSONALI1	8.0	9.4	-14.9%	800	65.4	NM	1.2x
OAL	15.8	18.4	-14.1%	2,679	522.9	NM	1.4x
PRIME1ICBA	8.1	9.3	-12.9%	810	173.9	NM	1.3x
KPPL	26.3	29.9	-12.0%	1,921	448.5	NM	NM
PDL	12.8	14.2	-9.9%	2,349	234.5	NM	0.9x
AFTABAUTO	27.2	30.0	-9.3%	2,871	78.4	NM	0.5x
NCCBLMF1	7.5	8.2	-8.5%	814	24.9	NM	0.8x
IBP	17.3	18.9	-8.5%	2,010	109.2	NM	1.2x
CENTRALPHL	18.5	20.2	-8.4%	2,216	370.3	NM	3.3x
GQBALLPEN	127.1	138.5	-8.2%	1,135	67.4	NM	1.1x

**Table 5: Top Ten Most Traded Shares**

Company Name	Close*	Open*	Δ%	Mcap**	Turnover**	PE	PB
SEAPPEARL	103.0	99.7	+3.3%	12,437	714.5	16.7x	5.6x
BDTHAI	28.6	27.9	+2.5%	3,654	652.8	NM	1.0x
OAL	15.8	18.4	-14.1%	2,679	522.9	NM	1.4x
ORIONINFU	363.3	361.3	+0.6%	7,397	499.7	NM	24.3x
KPPL	26.3	29.9	-12.0%	1,921	448.5	NM	NM
INTRACO	40.3	40.5	-0.5%	3,959	443.9	36.6x	3.2x
CENTRALPHL	18.5	20.2	-8.4%	2,216	370.3	NM	3.3x
STANDARINS	59.9	55.4	+8.1%	2,593	342.4	25.0x	2.8x
KBPPWBIL	112.1	103.2	+8.6%	10,995	325.1	NM	9.4x
EMERALDOIL	73.3	73.2	+0.1%	4,377	309.3	37.0x	NM

**Table 6: Most Appreciated YTD in BRAC EPL Universe**

Company Name	Close*	YTD %Δ	Mcap**	PE	PB
HEIDELBCEM	230.8	+28.9%	13,041	25.4x	3.4x
OLYMPIC	156.3	+26.0%	31,250	18.9x	3.0x
UNILEVERCL	2,011.1	+12.9%	38,763	39.2x	18.7x
PRIMEBANK	21.2	+10.4%	24,004	5.2x	0.7x
LHBL	69.2	+6.8%	80,367	12.7x	3.8x
BERGERPBL	1,811.1	+5.1%	83,995	27.2x	6.7x
EBL	29.4	+4.0%	35,493	6.3x	0.9x
ADNTEL	117.0	+2.5%	7,564	NM	3.7x
MARICO	2,472.6	+2.1%	77,887	17.8x	12.8x
MTB	15.5	+2.1%	15,238	7.1x	0.7x

**Table 7: Sector Indices**

Sector Name	Week Close*	Week Open*	Year Open*	Δ% Week	Δ% YTD
Bank	1,456.2	1,455.3	1,427.09	+0.06%	+2.04%
NBFI	1,903.6	1,902.5	1,927.24	+0.06%	-1.22%
Mutual Fund	860.6	876.9	852.07	-1.86%	+1.00%
General Insurance	3,568.7	3,489.1	3,177.87	+2.28%	+12.30%
Life Insurance	2,615.7	2,637.8	2,492.91	-0.84%	+4.93%
Telecommunication	4,945.6	4,945.6	4,945.60	-	-0.00%
Pharmaceutical	3,730.0	3,732.6	3,754.47	-0.07%	-0.65%
Fuel & Power	1,691.6	1,691.8	1,694.29	-0.01%	-0.16%
Cement	2,505.2	2,523.2	2,319.67	-0.72%	+8.00%
Services & Real Estate	1,521.5	1,518.6	1,782.23	+0.19%	-14.63%
Engineering	4,514.4	4,520.4	4,503.40	-0.13%	+0.24%
Food & Allied	21,201.7	21,180.8	21,247.80	+0.10%	-0.22%
IT	2,865.4	2,894.8	3,004.33	-1.02%	-4.62%
Textile	1,652.8	1,658.2	1,621.87	-0.33%	+1.91%
Paper & Printing	9,958.8	10,093.6	10,388.08	-1.34%	-4.13%
Tannery	3,102.8	3,103.9	3,093.43	-0.04%	+0.30%
Jute	17,771.7	17,683.5	14,850.17	+0.50%	+19.67%
Ceramics	689.4	694.6	704.74	-0.74%	-2.18%
Miscellaneous	4,308.2	4,265.3	4,071.46	+1.01%	+5.81%

**Table 8: Sector Trading Matrix**

Sector Name	Daily average this Week	Daily average last Week	% Change	% of Total Turnover	PE	PB
Bank	122.6	145.3	-15.64%	+3.40%	12.5x	0.7x
NBFI	18.1	20.2	-10.81%	+0.50%	NM	NM
Mutual Fund	415.0	525.1	-20.96%	+11.49%	NM	0.8x
General Insurance	689.5	385.4	+78.93%	+19.10%	19.4x	1.6x
Life Insurance	150.0	273.0	-45.05%	+4.15%	NM	NM
Telecommunication	0.4	1.5	-71.04%	+0.01%	16.0x	4.1x
Pharmaceutical	387.3	700.4	-44.70%	+10.73%	19.6x	2.2x
Fuel & Power	130.4	163.0	-20.03%	+3.61%	44.5x	1.1x
Cement	55.7	76.2	-26.90%	+1.54%	17.0x	2.6x
Services & Real Estate	248.5	306.2	-18.83%	+6.88%	19.8x	0.8x
Engineering	504.9	794.1	-36.42%	+13.98%	27.0x	1.9x
Food & Allied	218.2	306.3	-28.76%	+6.04%	19.7x	6.9x
IT	109.3	112.2	-2.59%	+3.03%	29.5x	2.4x
Textile	161.0	290.2	-44.52%	+4.46%	NM	1.2x
Paper & Printing	141.3	234.8	-39.80%	+3.91%	58.0x	1.9x
Tannery	8.3	14.0	-40.70%	+0.23%	57.8x	3.3x
Jute	17.2	29.3	-41.41%	+0.48%	NM	NM
Ceramics	69.5	109.3	-36.35%	+1.93%	53.2x	1.9x
Miscellaneous	163.6	139.1	+17.62%	+4.53%	26.9x	1.9x

**Table 9: Least Appreciated YTD in BRAC EPL Universe**

Company Name	Close*	YTD %Δ	Mcap**	PE	PB
EGEN	45.2	-13.2%	3,390	30.5x	2.0x
GPHISPAT	42.7	-4.7%	19,678	20.9x	0.8x
UNIQUEHRL	55.9	-3.1%	16,457	8.9x	0.6x
ISLAMIBANK	32.6	-1.2%	52,486	8.5x	0.7x
TRUSTBANK	31.7	-0.1%	27,142	9.5x	1.2x
IPDC	57.6	-0.0%	21,375	46.7x	3.2x
LANKABAFIN	26.0	-	14,010	35.1x	1.4x
ACI	260.2	-	19,829	NM	2.3x
LINDEBD	1,397.7	-	21,271	34.0x	3.6x
UPGDCL	233.7	-	135,475	19.6x	4.1x

\*BDT

\*\*BDT Mn

## Important News: Business, Economy & Sector

### Japan atop the list of foreign aid providers

- Japan tops the list of foreign-aid disbursers as the donor has enhanced the release of its funds to Bangladesh over the years, officials said on Tuesday. Historically the largest donor of Bangladesh, Japan disbursed the highest USD 610.98 Mn during the July-November period of this fiscal year (FY), 2023-24.

<https://thefinancialexpress.com.bd/economy/bangladesh/japan-atop-the-list-of-foreign-aid-providers>

### Debt-ridden cos cleared to take forex loans

- Despite debt-equity ratio of some private companies already having crossed the permissible limits, they have been allowed to take foreign-currency loans from multilateral lenders while Bangladesh reels from depleting foreign-exchange reserves.

<https://thefinancialexpress.com.bd/economy/debt-ridden-cos-cleared-to-take-forex-loans>

### No VAT on port services for exporters: NBR

- Export-oriented industries in Bangladesh will no longer have to pay value-added tax (VAT) on port services for raw material imports and finished goods exports, according to a new directive issued by the National Board of Revenue (NBR).

<https://www.tbsnews.net/nbr/no-vat-port-services-exporters-nbr-769014>

### Private sector foreign loan repayment USD 5.21 Bn higher than receipt in 11 months

- Bangladeshi businesses repaid USD 5.21 Bn more in principal and interest for short-term foreign debt than loan receipt in the first 11 months of 2023.

<https://www.tbsnews.net/economy/private-sector-foreign-loan-repayment-521b-higher-receipt-11-months-769058>

### Seven major sectors fell from grace as export dropped

- Export of engineering products, including bicycles, which recorded roughly USD 800 Mn in FY22, are on the decline for the second consecutive year while the sector for woven garments, the second-largest export earner after knitwear, has also found itself on the list of sectors suffering from falling export earnings..

<https://www.thedailystar.net/business/economy/news/seven-major-sectors-fell-grace-export-dropped-3510136>

### TRADE | Chattogram customs sees 4% growth in revenues amid falling imports

- The Chattogram Custom House witnessed a 4% revenue growth year-on-year in 2023 despite nearly 6% fall in imports through the country's largest Chattogram port.

<https://www.tbsnews.net/economy/ctg-customs-revenue-falls-below-six-month-target-still-sees-9-yoy-growth-768930>

### Bets boom as yield hits record-high 11.60%

- Yield on two-year Treasury bond hit a record-high 11.60% Tuesday as credit-starved commercial banks bid for higher returns to gain maximum out of their squeezing resources, sources said.

<https://today.thefinancialexpress.com.bd/first-page/bets-boom-as-yield-hits-record-high-1160pc-1704216653>

### Export ends year on high note, remittance holds pace

- As 2023 came to a close, Bangladesh experienced a positive turn of events, witnessing the highest export and remittance earnings in months, which offered a much-needed relief for the diminishing foreign exchange reserves.

<https://www.tbsnews.net/economy/export-ends-year-high-note-remittance-holds-pace-768530>

### India-Bangladesh trade down in pre-election season

- According to data from the Department of Commerce cited by PTI, Indian exports to Bangladesh between April and October 2023 declined by 13.32%, while imports saw a marginally smaller 2.3% dip.

<https://thefinancialexpress.com.bd/trade/india-bangladesh-trade-down-in-pre-election-season>

### Small businesses navigated difficult times in 2023

- Small businesses in Bangladesh faced substantial hardships in 2023 as their sales took a steep dive last year due to ongoing inflationary pressure in the country, according to various businesspeople.

<https://www.thedailystar.net/business/economy/news/small-businesses-navigated-difficult-times-2023-3509221>

**Rising food prices a concern for 71% families in Bangladesh: WB**

- The global lender revealed the data in its Food Security Update in December, when prices of all vegetables were spiralling unusually in the country's retail markets in spite of supplies being adequate since winter is the peak harvesting season.

<https://www.thedailystar.net/business/news/rising-food-prices-concern-71-families-bangladesh-wb-3509236>

**POWER | USD 160 Mn ADB loan to boost Dhaka's energy supply, distribution**

- The Asian Development Bank (ADB) today signed a USD 160 Mn loan agreement with Bangladesh to help upgrade Dhaka's power distribution network, enhance its efficiency and increase energy supply.

<https://www.thedailystar.net/business/news/160-million-adb-loan-boost-dhakas-energy-supply-distribution-3509071>

**POWER | Clearing Power, Fertiliser Arrears: Govt to issue BDT 260 Bn special bonds**

- The arrears arose because of the higher prices of fertiliser and fuel in the international market over the last one and a half years. This pushed up the power and agriculture ministries' subsidy requirements.

<https://www.thedailystar.net/business/economy/news/clearing-power-fertiliser-arrears-govt-issue-tk-26000cr-special-bonds-3509261>

**TRADE | Business at ICDs dropped in 2023**

- KDS Logistics Limited managed to retain its position as the top private inland container depot (ICD) in terms of handling export and import cargoes in 2023, a year when business in ICDs saw a year-on-year decline of nearly 11%.

<https://www.thedailystar.net/business/economy/news/business-icds-dropped-2023-3509206>

**Govt sees budget surplus of BDT 118.65 Bn in Q1**

- The government saw a budget surplus of BDT 118.65 Bn in the first quarter of the current fiscal year (FY) as its spending was lower than its revenue collection.

<https://www.thedailystar.net/business/economy/news/govt-sees-budget-surplus-tk-11865cr-q1-3508396>

**Govt starts procurement before loan deals to speed up dev projects**

- To speed up development projects, the government and development partners are experimenting with an "advance procurement" approach, which could potentially save months, even years, by getting key procurement steps underway even before the final loan agreement is inked.

<https://www.tbsnews.net/economy/govt-starts-procurement-loan-deals-speed-dev-projects-768034>

**Country goes into New Year with a volatile forex market**

- To counter market instability, Bangladesh Bank dispensed a substantial USD 6.7 Bn from its reserves in the first half of the fiscal year 2023-24. During this period, it also purchased approximately USD 1 Bn from various commercial banks, as confirmed by the central bank's concerned department.

<https://today.thefinancialexpress.com.bd/last-page/country-goes-into-new-year-with-a-volatile-forex-market-1704130341>

**Private credit growth slows**

- Credit growth to the private sector slowed to 9.9% in November as appetite for loans from businesses waned amid rising interest rate, sustained high inflation, and banks' focus on attracting more deposits during the final months of the year, according to bankers.

<https://www.thedailystar.net/business/economy/news/private-credit-growth-slows-3508386>

**Reserves fall short of IMF target**

- Bangladesh has failed to meet the International Monetary Fund's target on keeping USD 17.78 Mn as the minimum net international reserve as of December 31 last year.

<https://www.thedailystar.net/business/economy/news/reserves-fall-short-imf-target-3508401>

**Currency outflow from banks again**

- After recent reduction, the volume of mattress money or currency outside banks shows an upturn again to the worry of liquidity-hungry banks that have to borrow costly funds.

<https://today.thefinancialexpress.com.bd/first-page/currency-outflow-from-banks-again-1704129797>

**Record exodus, flat remittances**

- Bangladesh sent a record-breaking 1.3 Mn workers abroad in 2023, surpassing the 2022 figure of 1.14 Mn. Despite this surge, unresolved issues like high migration costs, a lack of skilled labour and informal money transaction channels like hundi continue to cast a shadow over the sector.

<https://today.thefinancialexpress.com.bd/last-page/record-exodus-flat-remittances-1704130105>

**BANK | Sonali Bank posts highest BDT 37.27 Bn operating profit**

- The country's largest commercial bank has claimed the EBIT (Earnings Before Interest and Tax) or operating profit would be the highest among all banks in the just out calendar year.

<https://today.thefinancialexpress.com.bd/last-page/sonali-bank-posts-highest-tk-3727b-operating-profit-1704130306>

**POWER | Govt finds way to clear dues to power producers**

- The government has initiated the issuance of special bonds to settle bank liabilities accrued by independent power producers (IPPs) and fertiliser importers stemming from outstanding subsidies.

<https://www.tbsnews.net/economy/govt-finds-way-clear-dues-power-producers-767550>

**RMG | Confusion over law forcing RMG makers to pay 15% VAT on port services**

- A confusion over a tax provision has been costing readymade garment exporters 15% VAT on services for over three months during imports and exports at the Chittagong Port.

<https://www.tbsnews.net/nbr/confusion-over-law-forcing-rmg-makers-pay-15-vat-port-services-767538>

**TRADE | Ctg port's container handling down in 2023**

- The Chattogram port has experienced a 2.92% year-on-year drop in the number of containers handled in the just concluded year whereas a slight growth in cargo movement, which reflects a slowdown in the country's foreign trade.

<https://www.thedailystar.net/business/economy/news/ctg-ports-container-handling-down-2023-3508351>

**INSURANCE | Consumer protection committee must for insurers**

- Every insurance company must have consumer protection and complaint settlement committees comprised of those on the board of directors, according to the draft insurance policyholder protection guidelines.

<https://www.thedailystar.net/business/news/consumer-protection-committee-must-insurers-3508441>

**Bangladesh Bank unveils SMART-derived interest rates for January**

- The consumer loan (retail loan) receivers have to pay the higher 13% interest starting from the new year, while other borrowers have to pay almost 12%, at 11.89%, in interest to the banks.

<https://thefinancialexpress.com.bd/national/bangladesh-bank-unveils-smart-derived-interest-rates-for-january>

**Job market expected to grow in second half of 2024**

- The job market in Bangladesh is expected to grow in 2024, with the country's GDP projected to increase by 6.5%. The service sector is expected to continue being the largest employer, with 41.2% of the workforce employed in this sector in 2021.

<https://www.tbsnews.net/supplement/job-market-expected-grow-second-half-2024-767034>

**Fund crunch, inflation force startups to downsize**

- Struggling with funding shortages and high inflation, startups in Bangladesh have resorted to aggressive cost-cutting and downsizing for over a year, decreasing the headcount on startup payrolls by nearly one-third since mid-2022, industry insiders say.

<https://www.tbsnews.net/economy/fund-crunch-inflation-force-startups-downsize-766962>

**More attention needed for those in greatest need**

- The government has allocated BDT 1262.72 Bn for social safety net for FY2023-24, which is around 7.4% more than last year's allocation of BDT 1135.76 Bn. Also, the allocated number this year is 16.58% of the total budget allocation and 2.52% of GDP.

<https://www.tbsnews.net/supplement/more-attention-needed-those-greatest-need-767058>

**One in five households food insecure: BBS**

- One in every five households in Bangladesh experienced food insecurity, according to the primary findings of a government survey -- conflicting with the government's claims of ensuring food security for all.

<https://www.thedailystar.net/health/food/news/one-five-households-food-insecure-bbs-3507571>

**BANK | Banks yet pocket some operating profit**

- Numerous banks outsmarted odds like dollar dearth, import fall and liquidity hardship in the adversity-strung bygone year and posted EBIT or operating profits in a significant growth. Of the dozen, Rupali Bank PLC tops the list by posting over a 556% growth. Its operating profits rose to BDT 6.96 Bn in 2023 from BDT 1060 Mn a year before.

<https://today.thefinancialexpress.com.bd/first-page/banks-yet-pocket-some-operating-profit-1704040138>

**BANK | BDT 10 Bn released to incentivise remittance flow through banks**

- The government has disbursed a second tranche of BDT 10 Bn as a cash incentive for scheduled banks in the October-December period of 2023, said sources. This initiative aims to boost remittance inflows through official channels amid a slight dip in November.

<https://today.thefinancialexpress.com.bd/last-page/tk-10b-released-to-incentivise-remittance-flow-through-banks-1704040338>

**ENERGY | BPC to get USD 125 Mn ITFC loan soon**

- Bangladesh Petroleum Corporation (BPC) would soon get released a loan of USD 125 Mn from the International Islamic Trade Finance Corporation (ITFC) under an annual lending programme to facilitate importing petroleum products.

<https://thefinancialexpress.com.bd/national/bpc-to-get-125m-itfc-loan-soon>

**BANK | Seven banks take emergency BDT 220 Bn from BB**

- The central bank has extended a total of BDT 220 Bn in emergency funds to seven beleaguered banks including five Islamic banks to dress up their balance sheet ahead of the year's end.

<https://www.thedailystar.net/business/economy/banks/news/seven-banks-take-emergency-tk-22000cr-bb-3507626>

**ENERGY | PDB owes private producers BDT 250 Bn in unpaid bills**

- The government owes private power producers a total of BDT 250 Bn in unpaid bills with some companies having unsettled payments for more than nine months.

<https://www.thedailystar.net/business/economy/news/pdb-owes-private-producers-tk-25000cr-unpaid-bills-3507556>

**Bangladesh to become 20th largest economy by 2038**

- Bangladesh is set to become the world's 20th largest economy by 2038 owing to continued economic growth, according to a forecast by the London-based Centre for Economics and Business Research (CEBR) on Wednesday.

<https://www.thedailystar.net/business/economy/news/bangladesh-become-20th-largest-economy-2038-3505426>

**Forex reserves rise to USD 21.45 Bn**

- The boost to the reserves stems mainly from the purchase of US dollars from Islami Bank Bangladesh as well as the release of the installments of the loans from the IMF and the Asian Development Bank (ADB).

<https://www.thedailystar.net/business/economy/news/forex-reserves-rise-2145-billion-3505291>

**Country scales IMF-set forex reserves target**

- Bangladesh scales the IMF-set net USD 17 Bn foreign-exchange (forex) reserves target for December, as the central bank has mopped up dollars from liquidity-strapped banks and received substantial remittances.

<https://today.thefinancialexpress.com.bd/public/first-page/country-scales-imf-set-forex-reserves-target-1703782459>

**BD trade gap with China narrows**

- According to a Bangladesh Bank (BB) report, the country's imports in terms of letter of credit (LC) opening dropped 26.7% during the fiscal year (FY2023) and about 13% in terms of LC settlements.

<https://today.thefinancialexpress.com.bd/public/first-page/bd-trade-gap-with-china-narrows-1703869122>

**Import of 30 high-in-demand products down 26%**

- The import of 30 goods, which are in high demand in industry, farming and households, through Custom House, Chattogram has dropped in volume by 26% in the first five months of fiscal year 2023-24 compared to the same period of last year.

<https://www.thedailystar.net/business/news/import-30-high-demand-products-down-26-3505441>

**External debt repayment swells up 51% in Jul-Nov**

- The government's repayment against external debts swelled up by more than 51% to USD 1.33 Bn in the first five months of the current fiscal year (FY) over the corresponding period of last FY, despite a considerable fall in the disbursement of foreign assistance.

<https://today.thefinancialexpress.com.bd/public/first-page/external-debt-repayment-swells-up-51pc-in-jul-nov-1703782642>

**Rising loan dependency, shrinking savings due to income disparity: Survey**

- The 2022 Household, Income and Expenditure Survey (HIES) has uncovered that approximately 37% of households resorted to borrowing from financial entities, NGOs, or acquaintances during January-December 2022 to meet their expenses.

<https://thefinancialexpress.com.bd/economy/bangladesh/rising-loan-dependency-shrinking-savings-due-to-income-disparity-survey>

**Foreign loan commitment surges 1,170% but disbursement slumps**

- Foreign loan pledges to Bangladesh have scaled new heights, yet disbursements are dwindling and debt servicing burdens are steadily increasing, as indicated by data from the Economic Relations Division (ERD).

<https://www.tbsnews.net/economy/foreign-loan-commitment-surges-1170-disbursement-slumps-765994>

**New worries as interest payment for debt doubles in 5 months**

- The government's spending on interest payments against the mounting foreign debt surged 136.70% year-on-year to USD 562 Mn in the first five months of the current fiscal year as disbursements surged in recent years.

<https://www.thedailystar.net/business/economy/news/new-worries-interest-payment-debt-doubles-5-months-3505431>

**TOURISM | Tourism fared well in 2023 despite jitters**

- The overall tourism industry in Bangladesh performed well throughout the outgoing calendar year despite facing adversity in the final quarter due to ongoing political unrest, according to industry people.

<https://www.thedailystar.net/business/news/tourism-fared-well-2023-despite-jitters-3505416>

**TRADE | BD to import food items from Russia under G2G deal**

- To run subsidised commodity drives smoothly, Bangladesh is set to import key food items from sanction-hit Russia under a government-to-government (G2G) arrangement, according to official sources.

<https://today.thefinancialexpress.com.bd/public/first-page/bd-to-import-food-items-from-russia-under-g2g-deal-1703868894>

**RMG | Garment exports to face rocky recovery in 2024**

- Garment exports from Bangladesh may witness moderate growth of between 7% and 10% in 2024 after struggling to perform strongly in the outgoing year due to a global economic slowdown.

<https://www.thedailystar.net/business/economy/news/garment-exports-face-rocky-recovery-2024-3506681>

**RMG | Millers want mandatory 70% local cotton yarn use for RMG exports**

- The country's spinning millers have urged the government to make it a mandatory condition to procure 70% of their total cotton yarn from local sources under back-to-back letters of credit to ease the ongoing dollar crisis.

<https://www.tbsnews.net/economy/rmg/millers-want-mandatory-70-local-cotton-yarn-use-rmg-exports-766898>

**ENERGY | Record losses for PDB**

- The Bangladesh Power Development Board's losses soared 52.4% to its highest yet in fiscal 2022-23 -- a year that saw record subsidy and a 29.6% hike in the bulk electricity price.

<https://www.thedailystar.net/news/bangladesh/news/record-losses-pdb-3506736>

## Important News: Capital Market

### **YPL | Yeakin Polymer's ownership transfer again gets BSEC nod**

- The securities regulator again approved the transfer of sponsor-director shares of publicly listed Yeakin Polymer Limited to Kapita Packaging Solutions Limited—a non-listed firm.

<https://www.tbsnews.net/economy/stocks/yeakin-polymers-ownership-transfer-again-gets-bsec-nod-769046>

### **BANKASI1PB | Bank Asia first perpetual bond trading begins**

- Bank Asia First Perpetual Bond, listed in the corporate bond sector of the capital market, started trading from January 1.

<https://www.thedailystar.net/business/banking/news/bank-asia-first-perpetual-bond-trading-begins-3510061>

### **SONALIANSH | Sonali Aansh allowed to pay 100% stock dividend**

- The securities regulator has allowed Sonali Aansh Industries, a publicly listed exporter of jute products, to pay a 100% stock dividend to its shareholders for the fiscal 2022-23.

<https://www.tbsnews.net/economy/stocks/sonali-aansh-allowed-pay-100-stock-dividend-768514>

### **SAPORTL | Summit Alliance Port approves 12% cash dividend**

- The Summit Alliance Port Limited (SAPL) has approved a 12% cash dividend for the year ended on 30 June 2023 at its 19th Annual General Meeting (AGM) held recently, says a statement.

<https://today.thefinancialexpress.com.bd/trade-market/summit-alliance-port-approves-12pc-cash-dividend-1704215333>

### **MITHUNKNIT, BANGAS | BASIC Bank wants Mithun Knitting, Bangas sponsor-director shares as loan recovery**

- In a move to recover its loans to two publicly listed Bangas Tallu Group companies, state-owned BASIC Bank Ltd wants to have the sponsor-director shares of the firms transferred to its beneficiary owners' (BO) account.

<https://www.tbsnews.net/economy/stocks/basic-bank-wants-mithun-knitting-bangas-sponsor-director-shares-loan-recovery-768526>

### **OLYMPIC | Olympic Industries comes first in the chase after foreign funds in 2023**

- A 3.87% point rise in foreign investors' stake in Olympic Industries in 2023 fuels curiosity because the biscuit maker drew investment at a time when local currency devaluation and floor price halved overall turnover in foreign portfolios.

<https://today.thefinancialexpress.com.bd/stock-corporate/olympic-industries-comes-first-in-the-chase-after-foreign-funds-in-2023-1704127983>

### **EXCHANGE | Three factors that could determine stock market recovery in 2024**

- So, three key factors, namely the floor price, the interest rates, and the macroeconomic challenges will determine whether the stock market of Bangladesh will make a comeback in 2024 or not.

<https://www.thedailystar.net/business/economy/news/three-factors-could-determine-stock-market-recovery-2024-3508406>

### **BERGERPBL | Berger Paints exempted from issuing rights share to big shareholders**

- Bangladesh Securities and Exchange Commission (BSEC) has exempted Berger Paints Bangladesh from issuing rights shares to its sponsors, directors and investors holding 5% and above shares of the company.

<https://www.tbsnews.net/economy/stocks/berger-paints-exempted-issuing-rights-share-big-shareholders-768014>

### **AFTABAUTO | Aftab Automobiles suffers massive losses**

- Aftab Automobiles Ltd, which primarily assembles Hino buses, suffered massive losses in the first quarter of the current fiscal year, reasoning that "chassis model changes" and challenges in opening letters of credit for imports caused its revenue to plunge.

<https://www.thedailystar.net/business/economy/industries/news/aftab-automobiles-suffers-massive-losses-3508261>

### **SINOBANGLA | Sinobangla's right share subscription starts 28 January**

- Public subscription for the right shares of Sinobangla Industries Limited is set to start on 28 January and continue till 15 February.

<https://www.tbsnews.net/economy/stocks/sinobanglas-right-share-subscription-starts-28-january-767474>

**EXCHANGE | NRB Bank's IPO subscription begins 28 January**

- The initial public offering (IPO) subscription of NRB Bank will begin on 28 January 2024 and continue till 1 February.

<https://www.tbsnews.net/economy/stocks/nrb-banks-ipo-subscription-begins-28-january-767466>

**ACI | ACI Limited approves 40% cash dividend**

- The Advanced Chemical Industries (ACI) Limited approved a 40% cash dividend for the shareholders, said a press release.

<https://today.thefinancialexpress.com.bd/stock-corporate/aci-limited-approves-40pc-cash-dividend-1703780943?date=29-12-2023>

**AMCL(PRAN) | Agricultural Marketing approves 32% dividend**

- Agricultural Marketing Company Ltd, a subsidiary of PRAN-RFL Group, has approved a 32% dividend for the year 2022-2023.

<https://www.thedailystar.net/business/organisation-news/news/agricultural-marketing-approves-32-dividend-3505346>

**ACIFORMULA | ACI Formulations declares 25% cash dividend**

- ACI Formulations Ltd has declared a 25% cash dividend for the year that ended on June 30 this year.

<https://www.thedailystar.net/business/banking/news/aci-formulations-declares-25-cash-dividend-3506646>

**NBL | New National Bank board forms 3 committees**

- Three committees in the board of graft-ridden National Bank were formed, a week after the central bank reconstituted the governing body to help the country's first private sector lender make a comeback.

<https://www.thedailystar.net/business/news/new-national-bank-board-forms-3-committees-3505461>

**PHOENIXFIN | Phoenix Finance MD removed, travel ban for officials over loan irregularities**

- Citing breaches of lending regulations, the Bangladesh Bank removed Intekhab Alam, managing director of the non-bank financial institution (NBFI) Phoenix Finance and Investments Ltd, from his post.

<https://www.tbsnews.net/economy/phoenix-finance-md-removed-travel-ban-officials-over-loan-irregularities-765986>

## IMPORTANT DISCLOSURES

**Analyst Certification:** Each research analyst and research associate who authored this document and whose name appears herein certifies that the recommendations and opinions expressed in the research report accurately reflect their personal views about all of the securities or issuers discussed therein that are within the coverage universe.

**Disclaimer:** Estimates and projections herein are our own and are based on assumptions that we believe to be reasonable. Information presented herein, while obtained from sources we believe to be reliable, is not guaranteed either as to accuracy or completeness. Neither the information nor any opinion expressed herein constitutes a solicitation of the purchase or sale of any security. As it acts for public companies from time to time, BRAC-EPL may have a relationship with the above-mentioned company(s). This report is intended for distribution in only those jurisdictions in which BRAC-EPL is registered and any distribution outside those jurisdictions is strictly prohibited.

**Compensation of Analysts:** The compensation of research analysts is intended to reflect the value of the services they provide to the clients of BRAC-EPL. As with most other employees, the compensation of research analysts is impacted by the overall profitability of the firm, which may include revenues from corporate finance activities of the firm's Corporate Finance department. However, Research analysts' compensation is not directly related to specific corporate finance transactions.

**General Risk Factors:** BRAC-EPL will conduct a comprehensive risk assessment for each company under coverage at the time of initiating research coverage and also revisit this assessment when subsequent update reports are published, or material company events occur. Following are some general risks that can impact future operational and financial performance: (1) Industry fundamentals with respect to customer demand or product / service pricing could change expected revenues and earnings; (2) Issues relating to major competitors or market shares or new product expectations could change investor attitudes; (3) Unforeseen developments with respect to the management, financial condition or accounting policies alter the prospective valuation; or (4) Interest rates, currency or major segments of the economy could alter investor confidence and investment.

### BRAC EPL Stock Brokerage Limited

#### Research

Salim Afzal Shawon, CFA	Head of Research	<a href="mailto:salim@bracepl.com">salim@bracepl.com</a>	01708 805 221
Fahim Hassan	Research Analyst	<a href="mailto:fahim.hassan@bracepl.com">fahim.hassan@bracepl.com</a>	01709 636 546
Hossain Zaman Towhidi Khan	Senior Research Associate	<a href="mailto:hztowhidi.khan@bracepl.com">hztowhidi.khan@bracepl.com</a>	01708 805 224
Billal Hossain	Research Associate	<a href="mailto:billal.hossain@bracepl.com">billal.hossain@bracepl.com</a>	01708 805 229
Syed Tawsifuzzaman	Research Associate	<a href="mailto:s.tawsifuzzaman@bracepl.com">s.tawsifuzzaman@bracepl.com</a>	01708 805 202
Foysal Ahmed	Research Associate	<a href="mailto:foysal.ahmed@bracepl.com">foysal.ahmed@bracepl.com</a>	01708 805 201
S M Toufique Imran	Research Associate	<a href="mailto:smtoufique.imran@bracepl.com">smtoufique.imran@bracepl.com</a>	01708 805 228

#### International Trade and Sales

Ahsanur Rahman Bappi	CEO	<a href="mailto:bappi@bracepl.com">bappi@bracepl.com</a>	01730 357 991
----------------------	-----	--	---------------

FOR SERVICE-RELATED QUERIES, REACH OUT TO

 [care@bracepl.com](mailto:care@bracepl.com)
 Call 16285



Website

Address

E-Mail

Contact

[www.bracepl.com](http://www.bracepl.com)

Symphony, Plot No. S.E. (F) - 9, Road No.  
142, Gulshan-1, Dhaka

Research: [research@bracepl.com](mailto:research@bracepl.com)  
Sales : [ftrader@bracepl.com](mailto:ftrader@bracepl.com)

Phone: +880 2 985 2446-50  
Fax: +880 2 985 2451