

Weekly Market Update

Capital Market Overview

The market closed in green this week. The benchmark index DSEX (+0.56%) gained 35.06 points and closed the week at 6,336.76 points. The blue-chip index DS30 (+0.56%) gained 11.80 points and stood at 2,129.71 points. The Shariah-based index DSES (+0.90%) gained 12.37 points and stood at 1,388.29 points. The large cap index CDSET (+0.41%) gained 5.01 points and closed at 1,214.14 points. DSEX, DS30, DSES and CDSET showed YTD returns of +1.44%, +1.71%, +1.77%, +0.94%, respectively.

Total Turnover During the Week (DSE): BDT 36.4 billion (USD 331 million)
Average Daily Turnover Value (ADTV): BDT 7.3 billion (Δ % Week: +32.4%)
Market P/E: 19.7x

Daily Index Movement during the Week

The market performed five sessions during this week. The market started on a positive note (+0.02%) on Sunday and remained positive for Monday (+0.24%), Tuesday (+0.21%) and Wednesday (+0.23%). Lastly, the week ended on a negative note (-0.15%) on Thursday.

Sectoral Performance

- Financial sectors posted mixed performance this week. General Insurance booked the highest gain of 0.55% followed by Life Insurance (+0.10%). Mutual Fund experienced the highest loss of 0.76% followed by Bank (-0.23%), NBFi (-0.15%).
- All the non-financial sectors posted positive performance this week. Pharmaceutical booked the highest gain of 1.45% followed by Food & Allied (+0.41%), Engineering (+0.12%), Fuel & Power (+0.06%), and Telecommunication (0.00%).

Macroeconomic arena

BB to adopt crawling peg to curb exchange rate volatility. GDP growth target down to 6.5%, inflation target up to 7.5%. Private sector credit growth target lowered to 10% from 11%. Rising production costs blindsides building material industry. Energy crisis, inflation major challenges for business: CPD survey. ENERGY | Bangladesh's Summit to supply 1.5 Mn tonnes LNG to Petrobangla from Oct 2026. BANK | M&A likely for weaker banks: BB. ENERGY | BD wants 4,000MW power from Nepal. Policy rate hike looms again as previous attempts yield little success. Annual import of consumer-oriented products rises to USD 2 Bn. Bangladesh's Foreign Loans: Repayment to rise 63% in three years. CERAMICS | Sheltech Ceramics raises BDT 1.5 Bn through preference shares. JUTE | Indian firms among companies investing in closed jute mills. TELECOM | Handset authentication restarts as mobile-making hits a record low. ENGINEERING | USD shortage, inflation slowing automobile sales. BANK | Banks can't channel funds to offshore units. BANK | Four local banks turn to IFC for USD 160 Mn loans to meet urgent needs.

New year brings remittance surge. Transport sector proposes 15% dev budget cut due to execution delays. BANK | Internet banking sees 5% growth in Nov as card, MFS transactions drop. PHARMACEUTICAL | Pharma profit falls for first time in five years as costs escalate. ENERGY | Power output squeezes to one-third of capacity. Cenbank likely to hike repo rate once again. Dollar bond rates hiked 2% to attract investment. Inflation falls slightly to 9.41% in December. DEE toll modest BDT 307 Mn as mainly cars drive. ENERGY | At least 15% power plants mostly sat idle. TELECOM | Mobile phone production drops for first time amid currency surprises. Govt to issue BDT 120 Bn bond. NBR lifts advance tax on import of computer accessories. WEF identifies 6 challenges Bangladesh would face in two years. Majority macro-indicators signal significant challenges. RMG | Investment rises as Bangladesh conquers the world of denim. TRADE | Import payments ease for eight essentials. TRADE | Red Sea conflict: 40% freight charge hike hits exporters hard. ENGINEERING | Motorcycle sales dropped to five-year low in 2023

Stock Market arena

BPML | Bashundhara Paper sector unveil first sustainability report. NRBBANK | Retail investors to buy NRB Bank IPO shares from Jan 28. RUNNERAUTO | Runner to build nationwide charging network for electric vehicles. CROWNCEMENT | Crown Cement to start new factory from this month. PRIMEBANK | FMO to give USD 50 Mn loan to Prime Bank for sustainability initiatives. APSCBOND | Its redemption sets example for other electricity generators. AAMRATECH | BTRC blocks 80% bandwidth of aamra technologies. LOVELLO | Lovello's capital machinery import delayed over hurdle in LC opening. WALTONHIL | Walton directors declare to sell shares to increase free-float. BARKAPOW | Baraka Power's corporate sponsor to sell 0.3 Mn shares. INTRACO | BSEC relaxes lock-in period of Intraco's converted shares. EXCHANGE | BSEC makes physical presence of chairman, MD mandatory at AGMs. RENATA | Renata set to pay off short-term loans with bond finance. EXCHANGE | No limit to NRB Bank IPO shares subscription.

January 18, 2024 (Week: January 14, 2024 – January 18, 2024)

Dhaka Stock Exchange

DSEX ended in Green (+0.56%) in the week

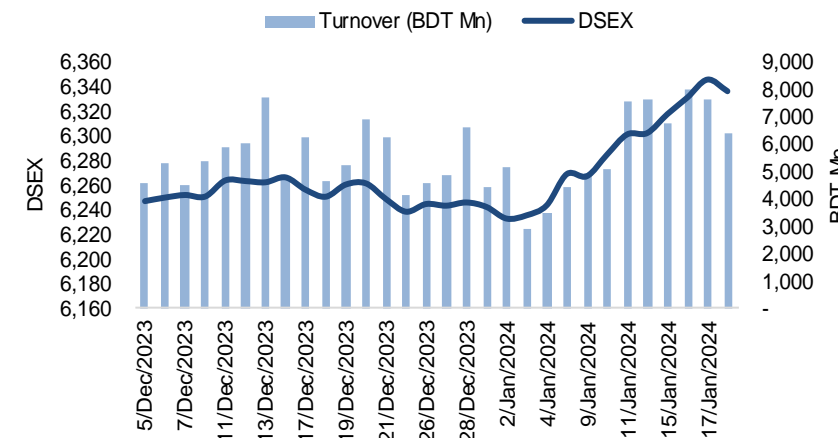
Table 1: Index

Index	Closing*	Opening*	Δ (Pts)	28-Dec-2023	Δ % Week	Δ % YTD
DSEX	6,336.76	6,301.70	+35.06	6,246.50	+0.56%	+1.44%
DS30	2,129.71	2,117.91	+11.80	2,093.83	+0.56%	+1.71%
DSES	1,388.29	1,375.92	+12.37	1,364.13	+0.90%	+1.77%
CDSET	1,214.14	1,209.13	+5.01	1,202.82	+0.41%	+0.94%

Table 2: Market Statistics

		This Week	Last Week	% Change
Mcap	Mn BDT	7,879,048	7,861,987	+0.2%
	Mn USD	71,628	71,473	
Turnover	Mn BDT	36,373	21,979	+65.5%
	Mn USD	331	200	
Average Daily Turnover	Mn BDT	7,275	5,495	+32.4%
	Mn USD	66	50	
Volume	Mn Shares	883	724	+21.9%

Figure 1: DSEX & Turnover in last four weeks



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Table 3: Top Ten Gainers

Company Name	Close*	Open*	Δ%	Mcap**	Turnover**	PE	PB
ORIONINFU	469.8	373.4	+25.8%	9,565	1,761.8	NM	31.4x
BEACHHATCH	59.1	48.0	+23.1%	2,447	771.8	55.8x	5.4x
SANDHANINS	33.8	27.7	+22.0%	3,708	749.0	NM	NM
KARNAPHULI	44.6	38.4	+16.1%	2,001	812.0	26.4x	2.1x
INTECH	29.2	25.6	+14.1%	915	121.8	NM	NM
DESHBANDHU	46.3	40.7	+13.8%	2,841	872.4	77.2x	2.4x
SHYAMPUSUG	214.2	190.5	+12.4%	1,071	75.7	NM	NM
KBPPWBIL	145.9	129.9	+12.3%	14,310	549.9	NM	12.3x
EIL	39.3	35.9	+9.5%	2,562	479.3	33.9x	2.1x
SAMORITA	92.5	84.9	+9.0%	2,017	360.6	NM	1.8x

Table 4: Top Ten Losers

Company Name	Close*	Open*	Δ%	Mcap**	Turnover**	PE	PB
FASFIN	5.6	6.2	-9.7%	835	96.1	NM	NM
MIDASFIN	11.9	12.8	-7.0%	1,712	58.6	NM	1.5x
MIDLANDBNK	14.8	15.8	-6.3%	9,467	288.6	11.6x	1.1x
IFILISLMF1	6.4	6.8	-5.9%	640	55.7	NM	1.0x
BENGALWTL	23.5	24.9	-5.6%	2,150	88.8	47.0x	0.9x
YPL	25.9	27.3	-5.1%	1,909	230.4	NM	4.8x
TILIL	54.1	56.9	-4.9%	2,164	115.1	NM	NM
1STPRIMFMF	33.3	35.0	-4.9%	666	288.0	NM	3.1x
SONALIFE	76.7	80.6	-4.8%	3,643	83.7	NM	NM
CAPITECGBF	12.2	12.8	-4.7%	1,899	90.8	NM	1.2x

Table 5: Top Ten Most Traded Shares

Company Name	Close*	Open*	Δ%	Mcap**	Turnover**	PE	PB
ORIONINFU	469.8	373.4	+25.8%	9,565	1,761.8	NM	31.4x
SEAPEARL	114.6	110.5	+3.7%	13,838	1,568.3	18.6x	6.2x
BSC	119.7	114.1	+4.9%	18,258	997.8	7.4x	1.4x
DESHBANDHU	46.3	40.7	+13.8%	2,841	872.4	77.2x	2.4x
BDTHAI	29.7	28.9	+2.8%	3,795	867.9	NM	1.1x
KARNAPHULI	44.6	38.4	+16.1%	2,001	812.0	26.4x	2.1x
BEACHHATCH	59.1	48.0	+23.1%	2,447	771.8	55.8x	5.4x
SANDHANINS	33.8	27.7	+22.0%	3,708	749.0	NM	NM
MEGHNALIFE	87.5	88.4	-1.0%	3,710	741.7	NM	NM
POWERGRID	52.4	52.4	-	37,347	712.2	NM	0.3x

Table 6: Most Appreciated YTD in BRAC EPL Universe

Company Name	Close*	YTD %Δ	Mcap**	PE	PB
UNIQUEHRL	61.2	+7.9%	18,017	9.8x	0.7x
ADNTEL	123.6	+5.6%	7,991	NM	4.0x
BERGERPBL	1,869.2	+5.4%	86,690	28.1x	6.9x
HEIDELBCEM	252.3	+5.3%	14,256	27.8x	3.7x
RECKITTBEN	4,989.5	+4.8%	23,575	31.2x	26.3x
MARICO	2,553.0	+3.8%	80,420	18.4x	13.2x
LHBL	71.5	+3.2%	83,038	13.1x	3.9x
CROWNCEMNT	78.1	+3.2%	11,598	11.5x	1.4x
UNILEVERCL	2,073.1	+2.7%	39,958	40.4x	19.3x
PRIMEBANK	21.5	+2.4%	24,344	5.2x	0.7x

Table 7: Sector Indices

Sector Name	Week Close*	Week Open*	Year Open*	Δ% Week	Δ% YTD
Bank	1,469.2	1,472.6	1,455.32	-0.23%	+0.95%
NBFI	1,911.6	1,914.5	1,902.52	-0.15%	+0.48%
Mutual Fund	857.7	864.3	876.90	-0.76%	-2.19%
General Insurance	3,640.5	3,620.6	3,489.09	+0.55%	+4.34%
Life Insurance	2,681.1	2,678.5	2,637.78	+0.10%	+1.64%
Telecommunication	4,945.6	4,945.6	4,945.60	-	-
Pharmaceutical	3,805.6	3,751.3	3,732.58	+1.45%	+1.96%
Fuel & Power	1,694.3	1,693.3	1,691.80	+0.06%	+0.15%
Cement	2,601.5	2,585.9	2,523.22	+0.60%	+3.10%
Services & Real Estate	1,628.0	1,599.7	1,518.57	+1.77%	+7.21%
Engineering	4,528.1	4,522.6	4,520.40	+0.12%	+0.17%
Food & Allied	21,323.9	21,237.5	21,180.76	+0.41%	+0.68%
IT	3,053.6	3,018.3	2,894.80	+1.17%	+5.49%
Textile	1,658.3	1,658.7	1,658.23	-0.02%	+0.00%
Paper & Printing	10,477.4	10,446.9	10,093.63	+0.29%	+3.80%
Tannery	3,157.0	3,136.6	3,103.94	+0.65%	+1.71%
Jute	17,399.1	17,385.5	17,683.51	+0.08%	-1.61%
Ceramics	689.5	691.4	694.56	-0.28%	-0.73%
Miscellaneous	4,457.1	4,393.8	4,265.32	+1.44%	+4.50%

Table 8: Sector Trading Matrix

Sector Name	Daily average this Week	Daily average last Week	% Change	% of Total Turnover	PE	PB
Bank	257.5	465.5	-44.69%	+3.84%	12.6x	0.7x
NBFI	156.4	214.7	-27.14%	+2.33%	NM	NM
Mutual Fund	254.6	316.0	-19.43%	+3.79%	NM	0.8x
General Insurance	901.3	519.3	+73.57%	+13.43%	19.8x	1.7x
Life Insurance	509.6	325.7	+56.48%	+7.59%	NM	NM
Telecommunication	0.7	1.6	-56.44%	+0.01%	16.0x	4.1x
Pharmaceutical	946.6	459.8	+105.86%	+14.11%	20.0x	2.3x
Fuel & Power	306.6	193.1	+58.83%	+4.57%	44.7x	1.1x
Cement	154.4	118.6	+30.13%	+2.30%	17.7x	2.7x
Services & Real Estate	598.4	350.5	+70.73%	+8.92%	21.1x	0.8x
Engineering	726.1	670.0	+8.37%	+10.82%	27.2x	1.9x
Food & Allied	528.8	344.4	+53.55%	+7.88%	20.0x	7.0x
IT	373.2	287.8	+29.68%	+5.56%	31.5x	2.6x
Textile	148.2	203.8	-27.27%	+2.21%	NM	1.2x
Paper & Printing	236.0	230.0	+2.58%	+3.52%	61.0x	2.0x
Tannery	54.7	34.4	+58.87%	+0.82%	58.8x	3.3x
Jute	24.6	14.3	+72.22%	+0.37%	NM	NM
Ceramics	81.4	78.9	+3.20%	+1.21%	53.2x	1.9x
Miscellaneous	451.3	237.9	+89.73%	+6.72%	27.9x	1.9x

Table 9: Least Appreciated YTD in BRAC EPL Universe

Company Name	Close*	YTD %Δ	Mcap**	PE	PB
IDLC	46.5	-	19,330	12.0x	1.0x
DBH	56.7	-	11,277	11.7x	1.3x
IPDC	57.6	-	21,375	46.7x	3.2x
LANKABAFIN	26.0	-	14,010	35.1x	1.4x
ACI	260.2	-	19,829	NM	2.3x
IPDC	57.6	-	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

BB to adopt crawling peg to curb exchange rate volatility

- The Bangladesh Bank today said it is contemplating the implementation of a crawling peg system to regulate unusual fluctuations in the currency's value.

<https://www.thedailystar.net/business/news/bb-adopt-crawling-peg-curb-exchange-rate-volatility-3521501>

GDP growth target down to 6.5%, inflation target up to 7.5%

- Bangladesh has revised down the economic growth projection for 2023-24 fiscal year to 6.5% from the initial 7.5% considering the ongoing challenges in the economy.

<https://www.thedailystar.net/business/news/gdp-growth-target-down-65-inflation-target-75-3521526>

Private sector credit growth target lowered to 10% from 11%

- The central bank today cut the private sector credit growth target to 10% from 11% to lower demand in an economy that has been witnessing higher inflation for the past two years.

<https://www.thedailystar.net/business/news/private-sector-credit-growth-target-lowered-10-11-3521481>

Rising production costs blindside building material industry

- Although building material makers in Bangladesh registered higher sales revenue in fiscal year (FY) 2022-23, their profits were eroded by increasing production costs, according to industry people.

<https://www.thedailystar.net/business/economy/news/rising-production-costs-blindside-building-material-industry-3521801>

Energy crisis, inflation major challenges for business: CPD survey

- A majority of the businesses and executives have identified problems in energy supply and inflation as two major challenges for doing business in Bangladesh, a survey conducted by the Centre for Policy Dialogue (CPD) found.

<https://www.thedailystar.net/business/news/energy-crisis-inflation-major-challenges-business-cpd-survey-3521396>

ENERGY | Bangladesh's Summit to supply 1.5 Mn tonnes LNG to Petrobangla from Oct 2026

- Bangladesh's Summit Group has signed a preliminary pact to supply 1.5 Mn tons of liquefied natural gas (LNG) per year to state-run Petrobangla for 15 years, starting from October 2026, its chairman, Aziz Khan, told Reuters.

<https://www.thedailystar.net/business/news/bangladeshs-summit-supply-15-million-tonnes-lng-petrobangla-oct-2026-3521421>

TRADE | BD, China discuss FTA negotiation, bilateral trade, investment

- Bangladesh and China have discussed promoting Free Trade Agreement (FTA) negotiation, providing more financial support for bilateral trade, and attracting more Chinese enterprises to invest in Bangladesh.

<https://today.thefinancialexpress.com.bd/trade-market/bd-china-discuss-fta-negotiation-bilateral-trade-investment-1705507801>

BANK | M&A likely for weaker banks: BB

- Mergers and acquisitions (M&A) may be in wait as a cure for comparatively weaker banks to strengthen their capital base, as they are deemed ridden with problems, according to a central bank plan.

<https://today.thefinancialexpress.com.bd/first-page/ma-likely-for-weaker-banks-bb-1705512534>

ENERGY | BD wants 4,000MW power from Nepal

- Bangladesh is willing to buy more electricity from Nepal as the two countries work on finalising the 40 MW power deal, Bangladesh Ambassador to Nepal Salahuddin Noman Chowdhury said on Tuesday, according to a report by the Kathmandu Post in Nepal.

<https://today.thefinancialexpress.com.bd/last-page/bd-wants-4000mw-power-from-nepal-1705513009>

Policy rate hike looms again as previous attempts yield little success

- Taming inflation is the priority of the new government, so the central bank is likely to increase the policy rate further to beef up its fight against the stubbornly high consumer prices.

<https://www.thedailystar.net/business/economy/news/policy-rate-hike-looms-again-previous-attempts-yield-little-success-3520946>

Annual import of consumer-oriented products rises to USD 2 Bn

- Bangladesh's import of various consumer-oriented products such as dairy products, fruits, tree nuts, spices, and soup is growing, driven by growing demand from middle-class consumers, urbanisation and lifestyle changes.

<https://www.thedailystar.net/business/economy/news/annual-import-consumer-oriented-products-rises-2b-3520926>

Bangladesh's Foreign Loans: Repayment to rise 63% in three years

- The government's foreign debt repayment is expected to increase as much as 63% by fiscal year 2025-2026 from the last financial year, indicating renewed pressure on the country's coffers.

<https://www.thedailystar.net/business/economy/news/bangladeshs-foreign-loans-repayment-rise-63pc-three-years-3521001>

CERAMICS | Sheltech Ceramics raises BDT 1.5 Bn through preference shares

- Sheltech Ceramics Limited, a leading ceramics manufacturer has raised BDT 1.5 Bn by issuing non-convertible cumulative preference shares in the market.

<https://www.tbsnews.net/economy/stocks/sheltech-ceramics-raises-tk1500-crore-through-preference-shares-775926>

JUTE | Indian firms among companies investing in closed jute mills

- Many of the country's jute mills incurred losses under government ownership and faced closures. The government is now looking to lease them out to private investors to make them profitable again, said Md Abdur Rouf at an event in the capital.

<https://www.tbsnews.net/economy/efforts-underway-boost-diversified-jute-exports-nanak-775978>

INSURANCE | IDRA instructs insurers not to take loans against paid-up capital

- The Insurance Development and Regulatory Authority (IDRA) has instructed insurers to keep an equivalent amount of paid-up capital as deposits at banks under the company's name without liability.

<https://www.thedailystar.net/business/news/idra-instructs-insurers-not-take-loans-against-paid-capital-3520656>

TELECOM | Handset authentication restarts as mobile-making hits a record low

- Bangladesh's mobile-phone manufacturing reached a six-month low in December 2023, with factories operating at just 50-60% capacity. This has prompted authorities to resume phone authentication, which had been stalled since 2021.

<https://thefinancialexpress.com.bd/national/handset-authentication-restarts-as-mobile-making-hits-a-record-low>

LEATHER | Why Bangladesh continues leather import despite having abundance of it

- Mohammed Mizanur Rahman, director at the Institute of Leather Engineering and Technology, University of Dhaka, told TBS, "Approximately 3.5% of the global leather industry's demand for raw materials is met from Bangladesh. However, the country's export of leather and leather products constitutes only 0.7% of the total global export.

<https://www.tbsnews.net/economy/industry/why-bangladesh-continues-leather-import-despite-having-abundance-it-775726>

ENGINEERING | USD shortage, inflation slowing automobile sales

- Automobile sales in Bangladesh plummeted in fiscal 2022-23, with the industry recording the steepest fall in profits among all sectors due to reduced production and demand, according to industry people.

<https://www.thedailystar.net/business/economy/news/usd-shortage-inflation-slowing-automobile-sales-3520956>

BANK | Banks can't channel funds to offshore units

- Banks have been restricted from providing fund support to their offshore units and at the same time, they have been asked to fully transfer funds obtained from the onshore units by the end of December 2024.

<https://www.tbsnews.net/economy/banking/trade-financing-get-costlier-banks-asked-not-fund-offshore-units-776242>

BANK | Four local banks turn to IFC for USD 160 Mn loans to meet urgent needs

- Bangladesh's commercial banks are once again seeking foreign funds to bolster their offshore portfolios, aiming to provide customers with dollar-denominated loans.

<https://www.tbsnews.net/economy/banking/four-local-banks-turn-ifc-160m-loans-meet-urgent-needs-775694>

New year brings remittance surge

- Expatriate Bangladeshis sent USD 915.91 Mn home in the first 12 days of 2024, according to the central bank, buoying the country's foreign exchange reserves and raising hopes for sustained remittance inflows.

<https://thefinancialexpress.com.bd/economy/bangladesh/new-year-brings-remittance-surge>

Bangladesh, India bid for wider local-currency trade

- Bangladesh and India discussed means of expanding areas of local-currency trade as a way of dodging USD dearth, a monetary crunch that affects many economies worldwide.

<https://thefinancialexpress.com.bd/economy/bangladesh-india-bid-for-wider-local-currency-trade>

Transport sector proposes 15% dev budget cut due to execution delays

- In the upcoming revised annual development programme, this proposed sacrifice amounts to a 15.32% reduction, bringing the allocation for the remainder of the current fiscal year to BDT 349.81 Bn.

<https://thefinancialexpress.com.bd/national/transport-sector-proposes-15pc-dev-budget-cut-due-to-execution-delays>

BANK | Internet banking sees 5% growth in Nov as card, MFS transactions drop

- Transactions through Internet banking increased 5% in November 2023 compared to the previous month. While internet banking witnessed a boom, mobile banking, credit cards, and debit cards experienced a slight decline.

<https://www.tbsnews.net/economy/banking/internet-banking-sees-5-growth-nov-card-mfs-transactions-drop-775598>

PHARMACEUTICAL | Pharma profit falls for first time in five years as costs escalate

- Profits of listed pharmaceutical companies in Bangladesh shrank in the last fiscal year of 2022-23, the first decline in at least five years, as the cost of production went up.

<https://www.thedailystar.net/business/economy/news/pharma-profit-falls-first-time-five-years-costs-escalate-3520116>

ENERGY | Power output squeezes to one-third of capacity

- According to State-run Bangladesh Power Development Board (BPDB), the countrywide electricity generation during the day peak hours on January 14 (Sunday) hurtled down to 8,914 megawatts, only 33.63% of the country's total installed power-generation capacity of 26,504mws.

<https://thefinancialexpress.com.bd/national/power-output-squeezes-to-one-third-of-capacity>

Cenbank likely to hike repo rate once again

- As part of this maneuver, the central bank is contemplating an increase in the repo rate, the benchmark rate at which banks borrow from the central bank, by 25 to 50 basis points.

<https://www.tbsnews.net/economy/banking/cenbank-likely-hike-repo-rate-once-again-775070>

Dollar bond rates hiked 2% to attract investment

- The Ministry of Finance has raised the interest rates on the country's existing foreign bonds—USD premium and USD investment bonds—by a maximum of 2%.

<https://www.tbsnews.net/economy/banking/foreign-currency-bond-rates-increased-2-boost-dollar-inflow-774846>

Inflation falls slightly to 9.41% in December

- The overall inflation in Bangladesh stood at 9.41% in December, which was 9.49% in November, according to Bangladesh Bureau of Statistics (BBS) data released today.

<https://www.tbsnews.net/worldbiz/global-economy/inflation/inflation-falls-slightly-941-december-774606>

DEE toll modest BDT 307 Mn as mainly cars drive

- Bangladesh's maiden elevated expressway has earned a modest BDT 307 Mn from tolls as private cars mainly ply the overhead road since partial opening of its Airport-Tejgaon section four months ago.

<https://thefinancialexpress.com.bd/economy/dee-toll-modest-tk307m-as-mainly-cars-drive>

HEALTHCARE | Health sector inflation jumps in Dec after months in negative territory

- After a surprising few months of negative trends, national and rural level inflation in the health sector experienced a notable upswing in December and returned to positive territory.

<https://www.tbsnews.net/bangladesh/health/health-sector-inflation-jumps-dec-after-months-negative-territory-774974>

ENERGY | At least 15% power plants mostly sat idle

- At least 15% of the country's 71 independent power producers were sitting idle for 80% of the time last fiscal year, raising questions about their need. Bangladesh Power Development Board (PDB) purchased electricity from the mostly idle power plants at rates much higher than the average purchase price of BDT 14.62 per kilowatt-hour (kWh).

<https://www.thedailystar.net/environment/natural-resources/energy/news/least-15pc-power-plants-mostly-sat-idle-3519341>

TELECOM | Mobile phone production drops for first time amid currency surprises

- The local production of handsets dropped in 2023, the first decline since domestic manufacturing began in Bangladesh in 2017, owing to the higher US dollar rate, an increase in taxes, and lower sales amid an erosion of purchasing power of consumers.

<https://www.thedailystar.net/business/economy/news/mobile-phone-production-drops-first-time-amid-currency-surprises-3519311>

BB to adopt crawling peg. Can it end exchange rate volatility?

- The Bangladesh Bank is going to adopt a new exchange rate regime known as the crawling peg as per the prescription of the International Monetary Fund (IMF), ruling out the possibility of a market-driven exchange rate many have suggested.

<https://www.thedailystar.net/business/economy/news/bb-adopt-crawling-peg-can-it-end-exchange-rate-volatility-3518531>

Govt to issue BDT 120 Bn bond

- All is set for issuing BDT 120 Bn worth of government bond for paying piled-up electricity bills to independent power producers (IPPs) against capacity charge and other payments, officials said.

<https://today.thefinancialexpress.com.bd/first-page/govt-to-issue-tk-120b-bond-1705165200>

NBR lifts advance tax on import of computer accessories

- The National Board of Revenue (NBR) has lifted Advance Tax (AT) on import of parts and accessories for computers to be made locally, according to a notification.

<https://www.thedailystar.net/business/economy/news/nbr-lifts-advance-tax-import-computer-accessories-3518451>

Credit card use slightly down

- Credit cardholders spent around 3.40% less in November last year compared to that in the preceding month, according to the Bangladesh Bank.

<https://www.thedailystar.net/business/news/credit-card-use-slightly-down-3518536>

WEF identifies 6 challenges Bangladesh would face in two years

- Bangladesh will face energy supply shortage, inflation, economic downturn, inequality, public debt and unemployment in the next two years, according to a survey of the World Economic Forum (WEF).

<https://www.thedailystar.net/business/news/wef-identifies-6-challenges-bangladesh-would-face-two-years-3516881>

Majority macro-indicators signal significant challenges

- As many as six out of nine key economic indicators prepared by the central bank deteriorated, as of December last, implying that they hold the potential to weaken the economy further. The six weaker parameters are foreign-exchange reserves, import volume, domestic debt, export receipts, food stock, and CPI inflation.

<https://thefinancialexpress.com.bd/economy/majority-macro-indicators-signal-significant-challenges>

RMG | Investment rises as Bangladesh conquers the world of denim

- Bangladesh has conquered the global denim market by becoming the top supplier of the popular garment item to both the EU and US, with local investors continuing to pour in funds to capitalise on further growth in global markets.

<https://www.thedailystar.net/business/economy/news/investment-rises-bangladesh-conquers-the-world-denim-3518526>

RMG | Garment sector weathered global headwinds

- Bangladesh's garment sector has firmly weathered the storm of Covid-19 and emerged stronger in spite of the hardships, reaffirming its position as a leader in sustainable and responsible business.

<https://www.thedailystar.net/business/economy/news/garment-sector-weathered-global-headwinds-3517056>

TRADE | Import payments ease for eight essentials

- The central bank has allowed imports of edible oil, chickpeas, pulse, peas, onion, spices, sugar, and dates on usance terms for up to 90 days under supplier's or buyer's credits.

<https://www.thedailystar.net/business/economy/news/import-payments-ease-eight-essentials-3517071>

TRADE | Red Sea conflict: 40% freight charge hike hits exporters hard

- The current turmoil in the Red Sea has hit businesses hard with higher freight charges, longer lead times and shortage of containers for exporters and importers. Additionally, exporters are reporting already losing apparel orders.

<https://www.tbsnews.net/economy/red-sea-conflict-40-freight-charge-hike-hits-exporters-hard-774386>

ENGINEERING | Motorcycle sales dropped to five-year low in 2023

- Motorcycle sales in Bangladesh hit a five-year low in 2023 following a gradual decline due to global economic crises and inflationary pressure, according to industry people.

<https://www.thedailystar.net/business/economy/news/motorcycle-sales-dropped-five-year-low-2023-3518511>

Important News: Capital Market

BPML | Bashundhara Paper sector unveil first sustainability report

- The report, released on January 15, 2024 at Bashundhara Industrial Headquarters-2, is a testament to the companies' dedication to sustainable and responsible business practices.

<https://today.thefinancialexpress.com.bd/stock-corporate/bashundhara-paper-sector-unveil-first-sustainability-report-1705508256>

NRBBANK | Retail investors to buy NRB Bank IPO shares from Jan 28

- General investors will be able to subscribe IPO shares of NRB Bank Limited from January 28. The fourth-generation private commercial bank got regulatory permission to collect capital from the primary market in November last year.

<https://today.thefinancialexpress.com.bd/stock-corporate/retail-investors-to-buy-nrb-bank-ipo-shares-from-jan-28-1705426886>

RUNNERAUTO | Runner to build nationwide charging network for electric vehicles

- Runner Group, one of the biggest marketer and assembler of automobiles in Bangladesh, will develop a nationwide charging network as part of its plan to locally launch electric vehicle (EV) of China-based world's biggest EV maker BYD.

<https://www.thedailystar.net/business/news/runner-build-nationwide-charging-network-electric-vehicles-3520901>

CROWNCEMNT | Crown Cement to start new factory from this month

- Crown Cement, the country's one of the leading cement manufacturers, has said it will start commercial operation of a new production facility in Munshiganj from this month - a year after it missed the February 2023 deadline.

<https://www.tbsnews.net/economy/stocks/crown-cement-start-new-factory-month-775610>

PRIMEBANK | FMO to give USD 50 Mn loan to Prime Bank for sustainability initiatives

- FMO, a Dutch entrepreneurial development bank, will provide a term loan of USD 50 Mn to Prime Bank to amplify the latter's commitment to inclusivity and sustainability.

<https://www.thedailystar.net/business/economy/news/fmo-give-50m-loan-prime-bank-sustainability-initiatives-3519926>

APSCLBOND | Its redemption sets example for other electricity generators

- Investors have begun to see redemption of a listed subordinated bond issued by Ashuganj Power Station Company, fueling optimism surrounding the secondary market of debt securities.

<https://today.thefinancialexpress.com.bd/stock-corporate/its-redemption-sets-example-for-other-electricity-generators-1705339558>

AAMRATECH | BTRC blocks 80% bandwidth of aamra technologies

- The telecom regulator has recently blocked around 80% bandwidth of aamra technologies as the international internet gateway did not share the outstanding revenue of over BDT 220 Mn.

<https://www.thedailystar.net/business/news/btrc-blocks-80-bandwidth-aamra-technologies-3520111>

LOVELLO | Lovello's capital machinery import delayed over hurdle in LC opening

- With an aim to expand business, Taufika Foods and Lovello Ice-Cream PLC — an ice cream maker and marketer with the brand name Lovello — went public and raised BDT 300 Mn from the stock market around three years ago.

<https://www.tbsnews.net/economy/stocks/lovellos-capital-machinery-import-delayed-over-hurdle-lc-opening-775606>

WALTONHIL | Walton directors declare to sell shares to increase free-float

- To comply with regulatory obligations, directors of Walton Hi-Tech Industries have so far declared to sell a total of 0.575 Mn shares as part of an initiative to increase the company's free-float shares to 10% in the secondary market of the stock exchanges.

<https://www.tbsnews.net/economy/walton-directors-declare-sell-shares-increase-free-float-775002>

BARKAPOWER | Baraka Power's corporate sponsor to sell 0.3 Mn shares

- Fusion Holdings (Pvt.) Limited, one of the corporate directors of the company, has expressed its intention to sell 0.3 Mn shares out of its holding of 19.78 Mn shares of the company.

<https://www.tbsnews.net/economy/stocks/baraka-powers-corporate-sponsor-sell-3-lakh-shares-774618>

INTRACO | BSEC relaxes lock-in period of Intraco's converted shares

- The securities regulator has reduced the lock-in period for the convertible shares of Intraco Refueling Station which will be converted from Intraco Refueling Convertible Bond.

<https://www.tbsnews.net/economy/stocks/bsec-relaxes-lock-period-intracos-converted-shares-774978>

EXCHANGE | BSEC makes physical presence of chairman, MD mandatory at AGMs

- To ensure accountability to the shareholders, the stock market regulator has mandated the physical presence of a minimum of 25% of board members, including the chairman and managing director, at the general meeting of a listed company.

<https://www.tbsnews.net/economy/stocks/bsec-makes-physical-presence-chairman-md-mandatory-agms-774454>

RENATA | Renata set to pay off short-term loans with bond finance.

- In a strategic move to mitigate the potential impact of rising interest rates, Renata Limited – a leading drugmaker in the country – is poised to issue bonds to entirely pay off its outstanding short-term bank loans.

<https://www.tbsnews.net/economy/stocks/renata-set-pay-short-term-loans-bond-finance-773582>

EXCHANGE | No limit to NRB Bank IPO shares subscription

- The capital market regulator has lifted the bar in the initial public offering (IPO) applications of general investors for getting allotment of shares for NRB Bank Limited — a fourth-generation private sector commercial bank.

<https://www.tbsnews.net/economy/stocks/no-limit-nrb-bank-ipo-shares-subscription-773558>

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