

Bangladesh market snapshot

	Last closing
DSEX Index	6,245.81
% change	-0.19%
DS30 Index	2,118.30
% change	-0.23%
DSES Index	1,356.17
% change	-0.28%
Turnover (BDT mn)	4,099.80
Turnover (USD mn)	38.68
% change	-2.16%
Market Capitalization (BDT bn)	7,777
Market Capitalization (USD bn)	73.37
% change	-0.08%

Source: Dhaka Stock Exchange

International market snapshot

	Last closing
Dow Jones Industrial Average	34,337.87
% change	0.16%
Nikkei 225	32,757.44
% change	0.53%
FTSE 100	7,425.83
% change	0.89%

Source: Bloomberg

Exchange rate

	Low (BDT)	High (BDT)
USD	111.00	111.00
EUR	118.56	118.60
GBP	135.66	135.71
INR	1.33	1.33

Source: BB

Money market

Date	Call Money Rate	Weighted Average (%)
13-Nov-2023	7.25-8.50	7.94
12-Nov-2023	7.25-8.50	7.83

Source: BB

Commodities

	Price	% Change
Brent Crude (Oil), USD/bbl.	82.76	0.29%
Gold Spot, USD/t oz.	1,945.64	-0.07%
Cotton, USd/lb.	79.61	0.18%

Source: Bloomberg

Macro

Dollar scarcity 2023: Bank to kerb market exchange surges from Tk104 to Tk127

In November, Bangladesh experienced a resurgence of turbulence in its dollar market. According to the Bangladesh Bank's website, the dollar exchange rate between the inter-bank and the customer was set at Tk104.35 on January 2 of this year. Subsequently, this rate incrementally rose, reaching Tk115 on November 9 and reached Tk127 through fluctuations by November 12.

<https://www.dhakatribune.com/business/330951/dollar-scarcity-2023-bank-to-kerb-market-exchange>

Bangladesh Bank resumes liquidity support to banks

Cash feeding to banks begins over again in a policy shift by the central bank perform following liquidity crunch, bankers say about the abrupt bailout action. Now, the Bangladesh Bank is allowing all bids for cash supports placed by the liquidity-starved scheduled banks against government securities to ease looming cash crunch in the banking industry.

<https://today.thefinancialexpress.com.bd/first-page/bangladesh-bank-resumes-liquidity-support-to-banks-1699899691>

Exchange houses won't get higher than banks' fixed rate for a dollar: BB

Foreign exchange houses will not get higher than the banks' fixed rate at the time of selling US dollar to banks in Bangladesh. The banking watchdog made the call nearly a week after directing banks not to buy US dollar from the remitters at rates over Tk 116. The Bangladesh Bank also asked money changers to sell dollars at maximum Tk 117 each.

<https://www.thedailystar.net/business/news/exchange-houses-wont-get-higher-banks-fixed-rate-dollar-bb-3468851>

Stock

Olympic Industries' profit rises 20%

Olympic Industries Ltd recorded a 20 % year-on-year increase in profit to Tk 56 crore in the July-September period of 2023. The company's EPS increased to Tk 2.81 as of September 30 this year, compared to Tk 2.33 in the same period last year.

<https://www.thedailystar.net/business/news/olympic-industries-profit-rises-20-3468966>

Crown Cement returns to profit

Crown Cement PLC logged a profit of Tk 34 crore in the July-September period of FY24. In the same period of previous fiscal year, it incurred a loss of Tk 5 crore. Subsequently, its EPS stood at Tk 2.32 at present compared to Tk 0.36 in the negative previously.

<https://www.thedailystar.net/business/organisation-news/news/crown-cement-returns-profit-3469016>

ACI incurs Tk14cr loss in July-Sept

ACI Limited incurred a loss of Tk14 crore in the July-September quarter of the fiscal year 2023-24. During the first quarter of this fiscal year, its revenue grew over 13% to Tk3,040 crore than the previous year at the same time.

<https://www.tbsnews.net/economy/aci-incurs-tk14cr-loss-july-sept-738854>

BSRM reports rebound in profit despite sales drop

BSRM Ltd recorded Tk 65.85 crore in profit July-September period during the current financial year, rebounding from losses of Tk 168.46 crore in the same period a year ago. EPS of BSRM Steels Ltd rose to Tk 1.21 in July-September period 2023 from losses per share of Tk 0.93.

<https://www.thedailystar.net/business/organisation-news/news/bsrm-reports-rebound-profit-despite-sales-drop-3468996>

Banglalink ready for IPO, awaits favourable market conditions

Bangladesh's third-largest mobile operator Banglalink is fully ready to launch an IPO, but currently adopts a "wait-and-see" approach due mostly to current market conditions. In early 2022, Banglalink announced its intention to raise funds through an IPO by offloading 10 % of its paid-up capital. The company is estimated to raise over Tk 8 billion through the fixed-price offering.

<https://today.thefinancialexpress.com.bd/stock-corporate/banglalink-ready-for-ipo-awaits-favourable-market-conditions-1699898506>

Bank and NBFIs

73% NBFIs deposits exceed Tk50 lakh ceiling

Nearly three-fourths of the deposits held by NBFIs will be affected once a new law, which sets a deposit ceiling of Tk50 lakh per person, takes effect. Among outstanding deposits of Tk44,683 crore at the end of June this year, Tk32,656 crore was deposited in accounts with balances exceeding Tk50 lakh. Industry insiders have suggested that the deposit amounts may decrease once the Finance Companies Act 2023 is implemented.

<https://www.tbsnews.net/economy/banking/73-nbfi-deposits-exceed-tk50-lakh-ceiling-what-happens-once-new-law-takes-effect>

Insurance

Nearly 10 lakh policyholders in limbo over maturity benefit

Payments against claims of around 10 lakh policyholders are hanging in the balance as 29 life insurance companies are not clearing dues owing to a liquidity crisis, official figures showed. Unsettled claims involved Tk 3,050 crore in the four years to the second quarter of 2023.

<https://www.thedailystar.net/business/economy/news/nearly-10-lakh-policyholders-limbo-over-maturity-benefit-3468471>

Textile

Textile mills sink in gas crisis, fewer orders

Bangladesh witnessed a remarkable 34% increase in exports, reaching \$52.08 billion in FY22. A section of textile millers injected over Tk10,000 crore into the industry, either by establishing new mills or expanding existing capacities, in order to meet growing demand. However, millers are left struggling due to dwindling export orders, political unrest, gas shortage and dollar crisis.

<https://www.tbsnews.net/economy/rmg/once-buoyed-growing-demand-textile-mills-sink-gas-crisis-fewer-orders-738990>

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We calculate our target price by weighting DCF, DDM, SOTP, asset-based and other relative valuation methods, and applying appropriate premiums/ discounts and/or other relevant adjustments.

Expected absolute returns are calculated as the % of difference between our target price and latest close price. Stock recommendations are based on absolute upside (downside) and have a 12-month horizon. Please note that future price fluctuations could lead to a temporary mismatch between upside/downside for a stock and our recommendation.

Recommendation Type	Holding period (if not otherwise mentioned)	Absolute Return Potential
Buy	12 Months	More than +15%
Neutral/ Hold	12 Months	Between -5% and +15%
Underweight	12 Months	Less than -5%

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Contact Us

Research Team

Md. Hasib Reza, CFA	Head of Research	hasib.reza@ucbstock.com.bd	+880 1755 658 997
Md. Sakib Chowdhury, CFA	Deputy Head of Research	sakib.chowdhury@ucbstock.com.bd	+880 1713 205 698
Md. Nazmus Sakib	Research Associate	nazmus.sakib@ucbstock.com.bd	+880 1701 205 073
Anik Mahmood Ibne Anwar, CFA	Research Associate	anik.mahmood@ucbstock.com.bd	+880 1701 205 074
Faiza Kamal	Research Associate	faiza.kamal@ucbstock.com.bd	+880 1325 086 707

Investment Strategist

Syed Adnan Huda, CFA	First Vice President	adnan@ucbstock.com.bd	+880 1730 325 232
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Institutional & Foreign Trade

Tahmidur Rahman	First Assistant Vice President	rahman.tahmidur@ucbstock.com.bd	+880 1726 995 520
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Office Premises

Head Office

Gulshan

Bulus Center

+880 2955 8481

Extensions of Head Office

Dilkusha +880 1701 205 090	Dilkusha (NIK Tower) +880 1701 205 000	Dhanmondi +880 1721 495 499	Nikunja +880 1701 205 013	Mohammadpur +880 1324 243 212
Bashundhara +880 1718 106 217	Mirpur-1 +880 1713 205 723	Mirpur-12 +880 1911 197 188	Banasree +880 1701 205 075	Uttara +880 1913 128 156

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Feni +880 1324 243 210	Khatungonj +880 1713 205 742	Chawkbazar +880 1817 206 965	Madhobdi +880 1324 243 156	
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