

Bangladesh market snapshot

	Last closing
DSEX Index	6,231.94
% change	0.14%
DS30 Index	2,108.48
% change	0.01%
DSES Index	1,355.33
% change	0.16%
Turnover (BDT mn)	3,490.13
Turnover (USD mn)	32.93
% change	-10.21%
Market Capitalization (BDT bn)	7,723
Market Capitalization (USD bn)	72.85
% change	0.06%

Source: Dhaka Stock Exchange

International market snapshot

	Last closing
Dow Jones Industrial Average	36,245.50
% change	0.82%
Nikkei 225	33,216.05
% change	-0.78%
FTSE 100	7,529.35
% change	1.01%

Source: Bloomberg

Exchange rate

	Low (BDT)	High (BDT)
USD	110.50	110.50
EUR	120.24	120.28
GBP	140.33	140.38
INR	1.33	1.33

Source: BB

Money market

Date	Call Money Rate	Weighted Average (%)
03-Dec-2023	7.75-9.25	8.53
30-Nov-2023	8.25-9.25	8.54

Source: BB

Commodities

	Price	% Change
Brent Crude (Oil), USD/bbl.	78.42	-0.58%
Gold Spot, USD/t oz.	2,086.31	0.68%
Cotton, USd/lb.	79.46	0.05%

Source: Bloomberg

Macro

Remittances climb, buoyed by higher exchange rate

The inflow of remittance to Bangladesh increased 21 % year-on-year to \$1.93 billion in November as most banks are offering higher rates for the US dollar to boost foreign currency collection. However, November's receipts were actually down 2.42 % from the \$1.98 billion registered in October.

<https://www.thedailystar.net/business/news/remittances-climb-buoyed-higher-exchange-rate-3485156>

<https://www.newagebd.net/article/219342/remittance-inches-down-to-193b-in-november>

Treasury bill interest rate tops 11%

The interest rate for treasury bills that the government uses for short-term borrowing from the banking sector has hit 11%, a growth of 50 basis points in a week. In the previous auction on 26 November, interest rate for 182-day treasury bills was fixed at 10.50%.

<https://www.tbsnews.net/economy/treasury-bill-interest-rate-tops-11-751110>

Private credits grow despite banks' liquidity hardship

Private-sector-credit flow grows marginally, as per latest account up to October, in a reversal of previous low ebb amid liquidity crunch. After months of downward trend, private-sector-credit growth went up by 0.40 %age points to 10.09 % in October last by official count. In the previous month of September, the credit growth for private-sector players in the national economy was 9.69 %..

<https://today.thefinancialexpress.com.bd/first-page/private-credits-grow-despite-banks-liquidity-hardship-1701625590>

2nd parcel of IMF loans: All eyes on Dec 12 meeting

Bangladesh's proposal to get the second tranche of the International Monetary Fund's \$4.7 billion loan has been placed for approval at the multilateral lender's board meeting slated for next week. According to the IMF board meeting schedule, it will take place on December 12 where about \$681 million in the second tranche is likely to be approved.

<https://www.thedailystar.net/business/news/2nd-parcel-imf-loans-all-eyes-dec-12-meeting-3485091>

Remitters' scope to deposit in forex widens

The Bangladesh Bank yesterday widened the scope for remitters to deposit their foreign currency earnings and get interest against the funds in forex. In a notice, the central bank said that resident foreign currency deposit (RFCD) accounts can be opened in any approved foreign currency.

<https://www.thedailystar.net/business/news/remitters-scope-deposit-forex-widens-3485081>

Capital Market

Foreign investment in stock markets halves

Foreign companies and individuals' investment dropped 20.8 % year-on-year to \$2.33 billion in the financial year of 2022-23. It was \$4.5 billion in 2018-19, Bangladesh Bank data showed. Of the sum, \$1.12 billion was invested in debt securities.

<https://www.thedailystar.net/business/news/foreign-investment-stock-markets-halves-3485121>

Fuel and Power

BERC hikes LPG price again

The price of liquefied petroleum gas has been hiked on Sunday and the retail consumers will have to pay an additional Tk 1.91 per kg of LPG from 6:00pm on the day. Bangladesh Energy Regulatory Commission (BERC) announced the new price, saying that retail consumers will now have to pay Tk 1,404 (VAT included) for a 12 kg cylinder of LPG. The previous price of a 12 kg LPG cylinder was Tk 1,381.

<https://www.newagebd.net/article/219315/berc-hikes-lpg-price-again>

Telecommunication

Number of mobile internet connections drops in October

The number of active mobile internet connections decreased by 3.6 lakh to 11.94 crore in October compared with that of 11.97 crore in September, according to Bangladesh Telecommunication Regulatory Commission data. However, the number of broadband connections remained stagnant with no change, reported from September to October maintaining a steady figure of 1.24 crore.

<https://www.newagebd.net/article/219343/number-of-mobile-internet-connections-drops-in-october>

Stock

IPDC sees bonds as better alternative to short-term deposits as rate rises

IPDC Finance has planned to raise Tk 3 billion by issuing mortgaged-backed zero coupon bonds to avoid interest rate risk. The NBFIs are looking to get the money for its usual business operations at a time when the rising interest rates of Treasury bills and bonds and increasing policy rate drove up the lending rates.

<https://today.thefinancialexpress.com.bd/stock-corporate/ipdc-sees-bonds-as-better-alternative-to-short-term-deposits-as-rate-rises-1701623913>

Four years not enough for Golden Harvest to use right share fund

Even after four years of raising nearly Tk90 crore through the issuance of right shares, Golden Harvest Agro Industries Limited. Till June this year, the company has been able to use Tk70 crore of the fund. Remaining amount has still not been utilised.

<https://www.tbsnews.net/economy/stocks/four-years-not-enough-golden-harvest-use-right-share-fund-751090>

Higher utility, raw material costs dent Coppertech's FY23 profit

Coppertech Industries – a manufacturer of copper products – has reported a significant 64% decline in net profit for the fiscal 2022-23 due to the increase in utility and raw material prices. According to its financials, its net profit stood at Tk3.99 crore, compared to Tk11.24 crore in the previous fiscal year. The EPS was Tk0.61, down from Tk1.78 in FY22.

<https://www.tbsnews.net/economy/stocks/higher-utility-raw-material-costs-dent-coppertechs-fy23-profit-751086>

Square Pharma's two directors to buy 20 lakh shares worth Tk42 crore

Two directors of Square Pharmaceuticals PLC have announced their intention to purchase 20 lakh shares of the company within 30 working days. The total purchase worth is Tk42 crore based on prevailing market rates.

<https://www.tbsnews.net/economy/stocks/square-pharmas-two-directors-buy-20-lakh-shares-worth-tk42-crore-750814>

Other

\$8b climate fund rolled out for Bangladesh

In a first in Asia, development partners have come together to announce an \$8 billion fund to help Bangladesh mitigate and adapt to the effects of climate change. This collaborative approach is being spearheaded by the International Monetary Fund (IMF).

<https://www.thedailystar.net/environment/news/8b-climate-fund-rolled-out-bangladesh-3485161>

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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

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Gulshan

Bulus Center

+880 2955 8481

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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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