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MONTHLY BUSINESS REVIEW

February 2010

Vol. 6 Issue 02



Industry and Equity Analysis Team

**Credit Risk Management
IDLC Finance Limited**

committed to you

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ECONOMY AND BUSINESS

ADP downsized to BDT 285 bn

The government downsized its maiden Annual Development Programme (ADP) for the current fiscal year to BDT 285 bn while increasing the number of projects under it. The National Economic Council (NEC) approved the revised ADP with the spending cuts in its meeting on February 23, 2010 with NEC Chairperson and Prime Minister Sheikh Hasina in the chair. The allocation to the development budget now stands at BDT 20 bn or 6.6% less than that of the original ADP. Under the revised ADP, the number of projects was raised to 1,058 from 886 of the original plan, according to Planning Minister AK Khandaker. Of the revised ADP, BDT 172 bn (60.35%) would come from domestic sources and BDT 113 bn (39.65%) as project aid. Under the revised ADP, different sectors have got comparatively higher allocations.

Economy on track to grow by 6%, some downside risks must be averted, says MCCI Q2 review

Bangladesh economy is on track to grow by 6% in fiscal year (FY) 2009-10, Metropolitan Chamber of Commerce & Industry (MCCI) said in an economic review on the second quarter of the current fiscal year released on February 04, 2010. The review provided optimism that services sector in the quarter two (Q2) depicted good growth, supported by increasing activity in agriculture and manufacturing sectors, and export trade. According to the review, better performance was visible in such sub-sectors as education and health, transport, wholesale and retail trade, real estate business, and financial and capital markets. Private credit expanded by 16.73% (yoy) in November 2009 compared to 13.7% in September 2009. Inward remittances in the second quarter stood at USD 2.831 bn, compared to USD 2.168 bn in the same period last year, marking a 30.6% year-on-year rise. The foreign exchange market remained relatively stable throughout the quarter. The reserve stood at USD 10.345 bn at the end of the quarter, while it was USD 5.788 bn in the same period last year. "The real sector production increased, and performance in the areas of public finance, credit delivery, remittance inflow and exports was better," MCCI said in its quarterly economic review. However MCCI reminded all concerned of downsides, cautioning inflation, after falling, has started climbing again, while foreign investments are shrinking.

UPSIDES	DOWNSIDES
1. Manufacturing activities rise	1. Inflation continues rising trend
2. Service sector growth is higher	2. FDI flow is declining
3. Exports record growth in Oct-Nov	3. PPP projects hit snag
4. Remittance continues rising	4. Farm sector growth is slightly lower
5. Forex market remains relatively stable	5. Physical infrastructure remains weak

Investment, employment on the rise: IFC survey

Investment and employment are expected to grow significantly in the first quarter of 2010, according to a just-published business confidence survey by Bangladesh Investment Climate Fund (BICF), managed by the International Finance Corporation (IFC). The survey, carried out in the last quarter of 2009 and published in Dhaka on February 13, 2010, said 60% of businesses approached were looking to make investments in the current January-March period against 52% in the previous quarter. The survey showed overall business confidence, on a scale of 1-100 in three areas — investment, employment and profitability — rising to 56 from 51 in the previous quarter. The scenario was in line with forecasts, according to the survey report presented at a

meeting jointly organized by BICF and International Chamber of Commerce-Bangladesh at the Dhaka Chamber of Commerce and Industry. The latest survey covered 1,440 businesses in the last quarter of 2009 compared to around 700 businesses surveyed in the previous quarter (Jul-Sep 2009).

Government cash balance reaches BDT 120 bn

The government's cash balance up to December 2009 reached BDT 120 bn on receipt of more foreign aid and revenue but low expenditure, according to a finance ministry report on macro-economic situation. As per the report, around BDT 395.60 bn or 34.8% of the national budget for fiscal year 2009-10 was spent during July-December. Of the amount already spent, revenue expenditure in the first six months of the current fiscal stood at BDT 307.53 bn, or 36.9% of the allocated BDT 833.19 bn. Meanwhile the amount spent for the annual development programme (ADP) is BDT 88.07 bn, or 29% of the ADP size of BDT 305 bn. On revenue earnings, the report said BDT 351.15 bn, or 44.2% of the targeted amount has been collected. The foreign aid received is BDT 60.73 bn. It was BDT 11.12 bn in the same period a year ago. The savings instrument sales surged 203% to BDT 51.76 bn in July-December. The figure was BDT 17.06 bn during the time last fiscal.

Investments in EPZs

- **Young Zhen Metal Industries Limited**, a Taiwanese company, will invest USD 10.20 mn in setting up a garment accessory manufacturing unit in the Karnaphuli EPZ. The 100% foreign-owned company will create jobs for 300 Bangladeshi nationals.
- **Japan, one of the major development partners of Bangladesh, will set up an automobile industry with an investment of USD 20 mn in export processing zone.** This was revealed when a three-member Japanese delegation met Executive Chairman of Bangladesh Export Processing Zone Authority (BEPZA) Brigadier General Jamil Ahmed Khan at the latter's office in Dhaka. The industry would create employment opportunities for 2,000 Bangladeshis.

BB starts weeklong road show in March

Bangladesh Bank (BB) will start a weeklong road show in late March to enhance awareness among people on farm loans and how to check money laundering. The road show also aims at creating awareness on financing small and medium enterprises and sending remittances through the legal channel instead of illegal hundi, according to BB General Manager (SME) Sukomal Singh Roy. The road show will start in Teknaf in the southern district of Cox's Bazar on March 26 and end in Tentulia in the northern Panchagarh district on April 02, 2010. BB Governor Dr. Atiur Rahman will inaugurate the show. BB has made 13 commercial banks as the main banks at these spots. The banks are AB Bank, NCC Bank, National Bank, Prime Bank, Bangladesh Krishi Bank, One Bank, Standard Chartered, Sonali Bank, Jamuna Bank, Uttara Bank, Islami Bank and BRAC Bank.

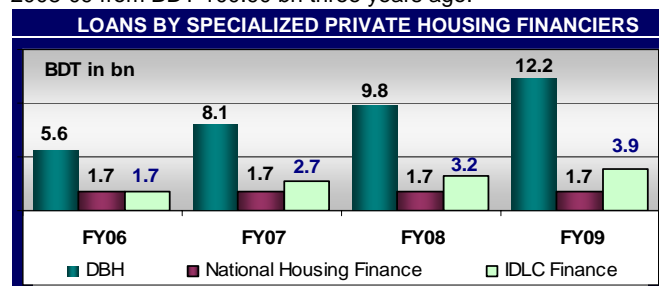
SMEs to get BDT 240 bn loans this year

Banks and financial institutions (non-bank) have set a combined loan target of BDT 239.95 bn to be disbursed among small and medium enterprises (SMEs) this year, Bangladesh Bank (BB) data shows. Outstanding loans to the SMEs increased to BDT 511.48 bn at the end of December 2009 from BDT 474.95 bn in June 2009. A department dedicated for the SMEs has been incorporated in the central bank organogram recently. An SME booklet (guideline) and a road show will be launched next month. BB has also gone into area-based approach for funding the SMEs. Potential SME areas are being identified for funding. BB

has reduced the loan limit to BDT 0.05 mn from previous BDT 0.2 mn to bring more SMEs under the formal financing network.

Home loans on a roll

Housing finance by specialised private providers has been rising rapidly in the past few years, fuelled by growing demand from the urban middle-class, statistics show. In the past three years -- from fiscal 2006-07 to fiscal 2008-09 -- average housing loans provided by the private sector rose by nearly 26% a year. The highest growth -- 39% -- was witnessed in fiscal 2006-07, while the following two years achieved 17.6% and 21% growth, despite the impacts of global recession on real estate, according to Bangladesh Bank data. There are several specialised private housing finance companies offering loans for construction, renovation and purchase of residential accommodation, mainly in Dhaka. Of them, Delta-Brac Housing Finance Corporation (DBH), IDLC Finance and National Housing Finance and Investments Ltd are the market leaders. Total housing loans grew for all, including specialised public and private organizations, public and private banks, other financial institutions and microfinance institution Grameen Bank, by a whopping 80% to BDT 181.80 bn in fiscal 2008-09 from BDT 100.90 bn three years ago.



Number of mobile users to reach 73 mn by 2014

IE Market Research Corp. (IEMR), the Canadian-based provider of market intelligence services, said given the latest quarter data, the total wireless subscribers in Bangladesh would increase from the current 53.83 mn to 72.7 mn by 2014. GrameenPhone's market share will remain in the range of 45-46% over the next five years despite Bharti Airtel's entrance to the Bangladesh's competitive mobile market, according to the international market intelligence service provider. The other players will also be gaining more subscribers over the next five years. It predicts that Banglalink will have 15.5 mn, TM International will have 13.1 mn, and Warid will have 6.7 mn mobile subscribers respectively by the end of 2014.

Service Provider	New Subscriber Addition in January 2010 [In Million]	Total Subscribers at the end of January 2010 [In Million]
GrameenPhone	0.22	23.48
Banglalink	0.20	14.07
AKTEL	1.02	10.31
Warid Telecom	0.02	3.01
PBTL (CityCell)	(0.01)	1.94
Teletalk	(0.05)	1.02
Total	1.40	53.83

FBCCI signs deal with Turkish peer

Apex trade bodies of Bangladesh and Turkey recently entered into a cooperation agreement to deepen trade and economic ties benefiting the businesspeople of both countries. Anisul Huq, President of the Federation of Bangladesh Chambers of Commerce and Industry, and M Rifat Hisarcikliglu, President of the Union of Chambers and Commodity Exchanges of Turkey, signed the deal on February 13, 2010 at Sonargoan Hotel in Dhaka.

SELECTED ECONOMIC INDICATORS

Item	Period/ As of	Value/bn	Period/ As of	Value/bn	+/(-)%
Broad Money (M2)	Dec'09	3,282	Dec'08	2,720	20.67%
Bank deposits	Nov'09	2,775	Nov'08	2,324	19.39%
Bank credit	Nov'09	2,457	Nov'08	2,126	15.59%
Total Domestic Credit	Dec'09	3,075	Dec'08	2,704	13.71%
Revenue Collection	Dec'09	48	Dec'08	37	30.55%
Export	Jul-Dec' 2009-10	7.274	Jul-Dec' 2008-09	7.755	-6.20%
Opening of LC	Jul-Jan' 2009-10	15.490	Jul-Jan' 2008-09	12.760	21.40%
Foreign Exchange Reserve	Feb'10	10.472	Feb'09	5.845	79.16%
Workers' Remittances	Jan'10	0.951	Jan'09	0.859	10.70%
Annual rate of Inflation	Nov'09	5.21%	Nov'08	9.36%	

Source: Selected Indicators: Weekly Update: February 24, 2010; Bangladesh Bank.

EXPORT STATISTICS

Figures in USD mn

Item	Jul-Dec 2009-10	Jul-Dec 2008-09	Change +/-
Knitwear	3,007.95	3,240.63	-7.18%
Woven RMG	2,582.66	2,805.75	-7.95%
Frozen Food	220.73	268.84	-17.90%
Home Textile	142.07	162.07	-12.34%
Leather	97.62	104.80	-6.85%
Chemical Products	102.15	176.07	-41.98%
Foot Wear	96.83	98.74	-1.93%
Engineering Products	115.04	83.63	37.56%
Agricultural Products	68.77	73.27	-6.14%
Raw Jute	95.65	74.60	28.22%
Others	744.43	666.30	11.73%
Total	7,273.90	7,754.70	-6.20%

Source: Export performance for the month of July-December 2009-2010; Export Promotion Bureau, Bangladesh

IMPORT LC STATISTICS

Figures in USD mn

Items	July-Dec 2009-10			July-Dec 2008-09		
	FLCO	SOLC	OSTLC	FLCO	SOLC	OSTLC
Capital Machinery	864	723	973	629	774	936
Textile Fabrics (B/B & Others)	1,542	1,375	1,523	1,551	1,526	1,490
Rice and Wheat	589	410	296	448	396	314
Chemicals & Chem. Products	1,341	993	824	1,445	1,435	653
Petroleum & Petro Products	1,170	929	763	1,163	1,163	1,030
Edible Oil & Oil Seeds	541	587	262	486	463	303
Raw Cotton	729	567	617	611	608	416
Scrap Vessels	379	370	25	486	429	87
Pulses	222	143	153	37	58	48
Cotton Yarn	266	208	339	219	279	245
Paper and Paper Board	138	150	76	144	150	69
Synthetic Fibre & Yarn	142	137	126	148	165	120
Sugar and Salt	453	317	248	126	185	110
Others	4,817	3,809	3,826	3,683	3,483	2,957
Total	13,195	10,717	10,050	11,177	11,115	8,778

FLCO = Fresh LC Opening, SOLC = Settlement of LC, OSTLC=Outstanding LC
Source: Major Economic Indicators: Monthly Update; Jan 2010; Bangladesh Bank.

REGULATORY NEWS

Banks get Dec 31 deadline for automation

Bangladesh Bank (BB) has set December 31, 2010 the deadline for all scheduled banks to upgrade their banking services from traditional regime to automated era. BB in a circular on February 02, 2010 asked all the banks to install the Core Banking Solution and establish Inter-branch Connectivity Network by December 31, 2010. The banks have also been directed to report the central bank quarterly the progress of their automation process until they finish the tasks.

BB to accept only MICR cheques from April 01, 2010

Bangladesh Bank (BB) has set another deadline on March 31, 2010, directing all commercial banks to submit Magnetic Ink Character Recognition or MICR-encoded cheques to enable it to make the Automated Clearing House fully functional. BB in a circular sent on February 11, 2010 issued the directive, pointing out that the number of MICR-encoded cheques, which facilitate faster and more reliable fund transfers, is at an unsatisfactory level. The circular cautioned the banks that the central bank would not accept any form of fund transfer documents other than MICR-encoded cheques from April 01, 2010.

Banks to draw roadmap for opening 18.2 mn farmers' accounts

Bangladesh Bank (BB) has directed the state-owned commercial and specialised banks to draw a roadmap for opening 18.2 mn accounts of farmers with an initial deposit of BDT 10. In a circular issued on February 14, 2010, BB asked the authorities of the state-owned commercial and specialised banks to report the central bank the progress on the roadmap of using modern technology for opening the accounts. Earlier, BB issuing a circular on February 07, 2010 directed the state-owned commercial and specialised banks to allow farmers to open accounts without bringing them under KYC (know your customer) criterion. "The farmers won't need to fill in the KYC forms, the farmer's card is enough to open the account," according to the circular.

BB limits charges for export bills negotiation, collection

The commercial banks will be allowed to collect maximum BDT 500 as commission along with exchange gain during negotiation and collection of export bills. Bangladesh Bank (BB) issued a circular in this connection on February 14, 2010 and asked the Chief Executives and Managing Directors of all scheduled banks to follow the latest instruction on charges for export bills negotiation and collection. BB earlier fixed the charges for export bills negotiation and collection at maximum 0.15% without mentioning the foreign exchange gain.

BB asks banks to regulate chairmen, directors' activities

Bangladesh Bank (BB) has imposed restriction on the number of executive committee (EC) members for all scheduled banks aiming to ensure good governance in the banking system. BB issuing a circular on February 15, 2010 directed all scheduled banks to limit the maximum number of EC members to seven. Earlier the central bank issued a circular in this connection on February 04, 2010 directing the scheduled banks that the number of executive committee members will not exceed one-third of the total board members of the banks. The circular also asked the Chairmen and Chief Executive Officers (CEOs) of all scheduled banks to maintain the instructions that aim to establish responsibilities and accountability. BB also advised to improve efficiencies of directors in both state-owned commercial banks (SCBs) and private commercial bank (PCBs) through providing trainings. Board of directors meeting can be held once in a month,

but it can be more if necessary. However, at least one board meeting has to be held in three months, according to the circular. The board will determine the objectives and goals and to this end it should adopt strategies and work-plans on annual basis. "It shall specially engage itself in the affairs of making strategies consistent with the determined objectives and goals and in the issues relating to structural change and reformation for enhancement of institutional efficiency and other relevant policy matters," the circular said, adding that it should analyse/monitor on quarterly basis the development of implementation of the work-plans. The board will specifically delegate the power of sanction of loan and such distribution should desirably be made among the CEO and his subordinate executives as much as possible. No director, however, shall interfere, direct or indirect, into the process of loan approval. The board will be vigilant on the internal control system of the bank in order to attain and maintain satisfactory qualitative standard of its loan or investment portfolio. The circular said the board will review on quarterly basis the reports submitted by its audit committee regarding compliance of recommendations made in internal and external audit reports and Bangladesh Bank inspection reports.

Fls asked to invest in SMEs, renewable energy projects

Bangladesh Bank (BB) has asked the financial institutions to give priority to investment in the small and medium enterprises (SMEs), renewable energy projects and effluent treatment plants. The advice came at a review meeting with the Chief Executives and Managing Directors of the financial institutions (non-bank) with BB Governor Dr. Atiur Rahman in the chair, held at BB on February 16, 2010.

Export restriction on raw jute goes

"The government has decided to withdraw the restriction on export of raw jute, which was issued on December 07, 2009," according to a textile and jute ministry circular issued on February 11, 2010. The government, however, slapped a permanent ban on shipment of BTR (Bangla Tossa Rejection) grades of raw jute excepting the one for which letter of credit (LC) for export has already been opened this year. But the circular said the export of jute goods will get more preference than that of raw jute in the future.

Securities with P/E over 50 not to get margin loan

The Securities and Exchange Commission (SEC) on February 01, 2010 directed merchant banks and brokerage houses to stop immediately providing or disbursing of any margin loan or credit facilities to their clients to purchase securities with price-earning (P/E) ratio of above 50. The directive will remain effective until further order and will supersede the previous directive issued by SEC. Earlier SEC on December 09, 2009 set 75 as highest P/E ratio for securities to be considered as marginable. In line with another decision on February 03, 2010, SEC squeezed the ratio of brokerage houses' margin loans to 1:1, down from the 1:1.5 ratio -- a change that came after a short gap.

IPO regulations eased, small-cap firms barred from pre-placement

The government on February 25, 2010 relaxed initial public offering (IPO) regulations, allowing companies to offload lesser amount of their paid-up capital for raising fund from the stock market. The ministry of finance made the changes in consultations with the securities regulator that also barred smaller firms from selling stakes to institutional investors in pre-IPO private placements. A company having paid-up capital between BDT 750 mn and BDT 1.5 bn must offload 25% of its paid-up capital if it seeks to raise money through IPO. For a small-cap company with paid-up capital less than BDT 750 mn, the IPO size

should be at least 40% of its capital. The ministry said small-cap companies - with paid-up capital less than BDT 1.5 bn - cannot sell their stakes through any pre-IPO private placement.

INTERNATIONAL

Japan narrowly retains number 2 economy

Japan narrowly retained its title as the world's number two economy in 2009 ahead of China, extending a recovery from a brutal recession with a robust fourth-quarter performance. But surging China came close to unseating its neighbour from the position it has held for more than 40 years, after the Japanese economy contracted at the fastest pace on record last year, battered by a plunge in exports. Japan's economy grew 1.1% in October-December from the previous quarter, for an annualised pace of 4.6%, the government reported. Japan's gross domestic product dived last year as exports and factory output collapsed during the global economic downturn. The severe contraction left Japan only just ahead of China as the world's second-largest economy. Japan posted nominal GDP of USD 5.085 TN last year, based on the average dollar-yen exchange rate for 2009. China reported last month nominal GDP of about USD 4.9 TN for 2009, after its economy grew a blistering 8.7% in 2009.

Crisis forces 17 mn Asians into deep poverty: ADB

17 (Seventeen) mn Asians have fallen into extreme poverty due to the global financial crisis, according to the Asian Development Bank (ADB) and the United Nations' joint report on poverty alleviation launched in Manila on February 17, 2010. And another 4 mn could this year slip into the same situation due to the effects of the slump, according to the report. This is on top of the 900 mn people in Asia who are already living in extreme poverty, defined as living on less than 1.25 dollars a day. The report said more women, who form the majority of Asia's low-skilled and temporary workforce, than men had been forced back into extreme poverty due to the crisis.

Gold demand drops in 2009 - India top gold consumer again

India has retained its position as world's largest gold consumer after a weak first quarter owing to around 49% recovery in demand in peak wedding and festival season, according to the World Gold Council (WGC). China was the only gold jewellery market to grow 6% in 2009, according to the figures compiled by WGC. China was the only non-western country to record growth of 22% in investment demand in 2009. According to the WGC Gold Demand Trends published on February 18, 2010, the resilience in demand was achieved as average gold prices went 12% higher than in 2008, at USD 972.35/oz. Total identifiable gold demand fell 11% to 3,385.8 tonnes during 2009 when compared to the levels in 2008, masking a progressive recovery in jewellery and industrial demand. The final quarter of 2009 showed a decline in total identifiable demand of 24% and fell to 819.7 tonnes, against the extraordinary fourth quarter demand in 2008.

High demand, strong dollar fuel rice price on global market

High demand coupled with a stronger dollar increased rice prices on the international market recently. Rice Online, a US-based website specially designed for updated news on global rice market, reported a significant increase in demand on the international market, particularly by the Philippines. The Philippines, the world's biggest rice importer, will allow private companies to buy 0.2 mn tonnes, boosting purchases to a record this year. The private purchases will take the country's imports to 2.45 mn tonnes, exceeding the record 2.4 mn tonnes in 2008, when prices reached an all-time high. "Increased Philippine purchases may stretch a global rice trade estimated by the US

Department of Agriculture at 30.85 mn tonnes this year, boosting prices," the report said. A stronger dollar also fuelled the rice prices. The dollar recently reached a nine-month high against the euro after the Federal Reserve raised the discount rate charged to banks for direct loans for the first time in more than three years. The latest reports on global rice prices posted on the Rice Online showed that rice were quoted at USD 570 per tonnes in Thailand, USD 420 tonnes in Vietnam and USD 430 tonnes in Pakistan.

MARKET ROUNDUP

WEEKLY CURRENCY ROUNDUP (22-25 February, 2010)

Global Markets, Standard Chartered Bank

Money Market

Money market rates traded in the range of 2.5- 3.0. Most deals traded around 2.75%. The market was liquid.

Foreign Exchange Market

Local: The local market traded actively on February 28, 2010. USD/BDT rates were steady on February 28, 2010.

International: The international markets were closed on February 28, 2010. On February 26, 2010, the U.S. dollar fell against the euro as investors pared extreme short positions in the euro on the last business day of the month after its recent declines. The euro hit a session high after a Bloomberg report that Germany may buy Greek bonds through lender KfW Group.

EXCHANGE AND FORWARD RATES: (As on February 28, 2010)

Major Currency Exchange Rates			Exchange Rate of Some Currencies				
Currency	BC Sell BDT	TT Buy BDT	Currency	Currency Per USD	BDT per Currency		
USD	69.60	68.60	INR	46.11	1.50		
EUR	97.11	91.46	PKR	85.00	0.81		
GBP	108.33	102.52	LKR	114.63	0.60		
AUD	63.81	60.01	THB	33.03	2.09		
JPY	0.81	0.76	MYR	3.40	20.30		
CHF	66.55	62.26	USD forward rate against BDT				
SEK	10.18	9.25					
CAD	66.85	64.53					
HKD	8.98	8.83					
SGD	50.13	48.57					
AED	19.10	18.53				Buy	Sell
SAR	18.71	18.15				1 Month	68.67
DKK	13.10	12.34	2 Months	68.78	70.34		
KWD	238.27	234.43	3 Months	68.94	70.69		
			6 Months	69.66	71.85		

Source: Standard Chartered Bank

TREASURY BILL/BOND AUCTION INFORMATION

Auction Date	Tenure & Name of the Securities	Sale Value (in BDT mn)	Weighted Average Yield (%)
01-Feb-2010	91 days T. Bill	99.413	2.36
01-Mar-2010	182 days T. Bill	2,947.506	3.56
22-Feb-2010	364 days T. Bill	2,389.647	4.62
17-Feb-2010	5 years T. Bond	1,530.086	7.82
03-Feb-2010	10 years T. Bond	1,000.000	8.75
10-Feb-2010	15 years T. Bond	320.000	8.74
24-Feb-2010	20 years T. Bond	570.000	9.101

Source: Bangladesh Bank Website

INTERNATIONAL COMMODITY PRICES

Commodity	Unit	Price on February 26, 2010 (USD/unit)	Price on January 29, 2010 (USD/unit)	Change +/-(-)
Platinum	Ounce	1,533	1,512	1.39%
Gold	Ounce	1,108	1,079	2.76%
Palladium	Ounce	430	419	2.63%
Silver	Ounce	16.12	16.29	-1.04%
Nickel	Tonne	20,687	18,700	10.63%
Tin	Tonne	16,740	16,910	-1.01%
Lead	Tonne	2,095	2,072	1.11%
Aluminium	Tonne	2,095	2,100	-0.24%
Zinc	Tonne	2,162	2,135	1.26%
Copper	Tonne	7,100	6,820	4.11%
Crude Oil	Barrel	79.64	72.89	9.26%
Coffee	Tonne	1,270	1,334	-4.80%

Source: The Financial Express

IDLC NEWS

IDLC Finance Limited opens 2 new branches at Narayanganj and Savar

IDLC Finance Limited, a leading multiproduct financial institution, recently opened two new branches at Narayanganj and Savar. IDLC Finance Ltd. inaugurated the Narayanganj Branch at Sattar Tower (Ground Floor), 50 S.M. Maleh Road, Tanbazar, Narayanganj on February 03, 2010 and the Savar Branch at Alam Plaza (2nd Floor), 122/B Jaleshwar, Savar, Dhaka on February 24, 2010. Including these two branches, total number of branches of IDLC Finance Ltd. has become nine. These two branches of IDLC will offer a full range of SME, Corporate and Personal finance products including Term Loans, Lease Finance, Home Loans, Car Loans, Personal Loans and attractive Deposit schemes.



Selim R. F. Hussain, CEO & Managing Director of IDLC Finance Ltd. inaugurated the new branches. Arif Khan, Deputy Managing Director, Asif Saad Bin Shams, Head of Credit Risk Management (CRM), M. Jamal Uddin, Head of Corporate, Zahid Ibne Hai, Head of SME, Shaikh Kamruzzaman, Head of Personal Finance Division, and other senior officials were present during the opening ceremony of these two branches. Many dignitaries including local entrepreneurs, industrialists, representatives from various trade bodies and bankers were also present at the inaugural ceremony.

IDLC Finance Limited organizes SME Team Building Program

IDLC Finance Limited recently organized a team building program titled "Less I and More WE". The program was held from February 25-27, 2010 at Jamuna Resort, Tangail. The objective of the program was to understand and appreciate the value of team work. A number of team building activities were performed by the participating members of IDLC SME team.



Arif Khan, Deputy Managing Director of IDLC Finance Limited inaugurated the event and the program sessions were conducted by Zahid Ibne Hai, Head of SME. Asif Saad Bin Shams, Head of Credit Risk Management (CRM) also took part in the program. A total of 59 participants from SME division, Credit Risk Management (CRM) and Credit Administration Department (CAD) joined the program.

IDLC Finance Limited organizes CRE Training Program

IDLC Finance Limited recently organized an induction training program for its newly recruited Customer Relations Executives (CRE) under SME division. The training program was held from January 23-25, 2010 at CARITAS Development Institute, Malibag, Dhaka. Both in-house and external resource persons delivered their presentations on various aspects of SME financing and Customer Relationship Management.



Selim R. F. Hussain, CEO & Managing Director of IDLC Finance Ltd., Zahid Ibne Hai, Head of SME division, Kazi Mahmood Hossain, Head of Small Business Finance (Credit) and other senior officials were present during the closing ceremony of the training program.

NEWS IN BRIEF

ECONOMY

- **The International Monetary Fund (IMF) has said Bangladesh needs to check inflation and maintain fiscal prudence to attain a projected 6% economic growth for the current fiscal.** Terming a rising inflation an immediate policy concern, the IMF in its annual review of Bangladesh's economy cautioned that the inflation could further drive up throughout FY2010, possibly to double digit by the summer.
- **Bangladesh Institute of Development Studies (BIDS), projecting 5.8% economic growth this year,** has warned of uncertainties in attaining the growth rate and pointed out that the gap in the incomes of various regions is widening. The national think-tank also predicted unemployment of an additional number of 0.6 mn people this year because of the global recession and emphasized the importance of massive investments to achieve higher economic growth and ensure public welfare.
- **The country's manpower export sector started the calendar year with marginal decline,** as all traditional destinations, except one, remained almost non-responsive to fresh recruitment. The largest remittance generating sector of the country witnessed a 33.15% fall in January 2010 against the same month of the previous year, according to Expatriate Welfare and Overseas Employment Ministry source. According to data revealed by state-run Bureau of Manpower Employment and Training (BMET), a total of 33,847 Bangladeshis secured jobs in different countries in January 2010, mostly of the gulf region, whereas the monthly overseas employment number was 50,632 in January 2009.

BUSINESS-GENERAL

- **The rise in private sector credit** was 19.15% in December from 16.73% in October 2009, according to Bangladesh Bank (BB) statistics. The credit flow to the private sector rose to BDT 243.705 bn in December from BDT 204.532 bn in the same period of the previous calendar year, BB's data showed.
- **Total classified loans in the banking system** stood at BDT 420 bn at the end of 2009, of which, gross classified loans were BDT 224.42 bn while banks wrote off more than BDT 200 bn. However, **net classified loans** reached BDT 38.2 bn or 1.7% of total outstanding loans, according to Bangladesh Bank (BB) statistics.
- **National Board of Revenue (NBR) has achieved a 16% growth in the first seven months of the current fiscal** compared to the corresponding period last year. But, the board has failed to achieve its target of BDT 311.35 bn for July-January period due to shortfall in import revenue collection. NBR has collected revenue worth BDT 311.25 bn in July-January period with highest growth of VAT about 26% and income tax 19%. Import revenue fell short of target by BDT 2.33 bn with 7.22% growth in the first seven months.
- For the first time in six years, **bilateral trade between Bangladesh and the United States suffered a negative growth last year,** according to foreign ministry sources. The note, that cited data collected from the US Commerce Department, shows that Bangladesh's exports to the USA in 2009 amounted to USD 3.7 bn which was USD 48 mn or 0.9% less than the previous year's amount. Bangladesh's import from the USA also declined last year by USD 33 mn as it totaled worth USD 435 mn in 2009. US-Bangladesh trade

totaled some USD 4,135 mn in 2009, USD 81 mn less than the figure in the previous year.

- **The bilateral trade between Bangladesh and Australia** increased to 495 mn Australian dollars in fiscal year 2008-09 from 281 mn dollars the previous year, registering a 98% growth, data released by Canberra government shows. Also, a big jump in the value of Bangladesh exports to Australia was recorded at 119 mn Australian dollars from 43 mn Australian dollars, an increase of 174%.
- **Japan proves to be a lucrative destination for Bangladesh's garment** as apparel exports to the Asian giant saw an extraordinary 148% growth in the first half of the current fiscal year compared to the same period a year ago. Bangladesh exported ready-made garments (RMG) worth USD 34.043 mn during the July-December period of 2009-10 compared to USD 19.415 mn of 2008-09. Knitwear accounted for USD 28.090 mn during the same period, up from USD 5.964 mn a year before, the Export Promotion Bureau (EPB) data said. The country made shipments of home textile worth USD 1.125 mn during the July-December of 2009-10.
- **The Securities and Exchange Commission (SEC)** of Bangladesh has recently been invited by the International Organization of Securities Commissions (IOSCO), the apex global body of capital market regulators, to be listed in Appendix B along with 11 other member countries.
- **More than 0.115 mn Beneficiary Owners (BO) accounts were opened in January 2010 by the investors**, which is a record figure in a normal situation of the market, according to the Central Depository Bangladesh Limited (CDBL).
- **Zia International Airport has recently been renamed after fourteenth-century Muslim saint Hazrat Shah Jalal (R).**

BUSINESS - FIRM SPECIFIC

- **The City Bank has recently arranged BDT 3 bn syndicated credit facilities** which include term loan of BDT 2.24 bn and working capital of BDT 760 mn for **Super Petrochemical (Pvt) Ltd**, the first private sector venture in petrochemical industry. City Bank acted as joint mandated lead arranger of this project along with Alliance Financial Services Limited.
- **The United Bank of India (UBI)**, a wholly government owned bank of India, opened its representative office in Dhaka on February 03, 2010 to facilitate import-export trading transactions. Satish C Gupta, Chairman and Managing Director of the UBI, Rajeev Mitter, High Commissioner of India to Bangladesh, TM Bhasin, Executive Director of the UBI, and other high officials of the bank were present during the inauguration of the representative office in Dhaka.
- **Standard Chartered Bank** has closed its first dollar taka option transaction with Bangladesh Edible Oil Limited (BEOL). This deal will help BEOL to effectively manage their foreign currency exposure. The deal signed on February 09, 2010 is a zero cost range forward, a powerful currency hedging tool.
- **Turkish Investment firm RHEA Investments and domestic DANA Group** on February 13, 2010 penned a memorandum of understanding with the objective to arrange and lend up to USD 1 bn to the Government of Bangladesh to finance infrastructure projects.

TRAINING / SEMINARS / WORKSHOPS

- **Power and Participation Research Center (PPRC) on February 11, 2010 organized a seminar** titled Global Recession and Bangladesh Economy: Macro and Meso

Trends in Dhaka. Former Finance Adviser Mirza Azizul Islam and the former Bangladesh Bank Governor Dr. Salehuddin Ahmed addressed the seminar which was moderated by PPRC Executive Chairman Hossain Zillur Rahman. Centre for Policy Dialogue Executive Director Mustafizur Rahman, Bangladesh Institute of Development Studies Director General MK Mujeri and Federation of Bangladesh Chambers of Commerce and Industry President Annisul Huq also spoke in the seminar. The economists and experts told the seminar, a renewed inflationary pressure which came as a long-term impact of global recession on Bangladesh's economy, has kept the current fiscal year's GDP growth projection under much pressure. They cautioned over the projected growth and suggested prudent intervention and careful regulation by the government for expanding and expediting local investments.

- **A seminar titled 'Investment Opportunities in Bangladesh for the NRBs: The Untapped Potentials'** jointly organized by the Venture Investment Partners Bangladesh Ltd (VIPB), the AIMS of Bangladesh and CMSL Securities Ltd, in collaboration with the Bangladesh Embassy in Washington was held at Bangabandhu Auditorium of Bangladesh Embassy in Washington, DC. The event was co-hosted by the American Association of Bangladesh Engineers and Architects (AABEA), Washington chapter. Speaking on the occasion, Bangladesh Ambassador to the US Akramul Qader informed the audience that pursuing vigorous "Diaspora diplomacy" is one of the priority areas of the mission. Prime Minister Sheikh Hasina outlined a vision for turning Bangladesh into a middle-income country by 2021 and channeling foreign investment is a vital component of that vision. Speakers at the seminar said there is enormous potential in Bangladesh for the non-resident Bangladeshis (NRBs) to make investment in various sectors and reap returns on their money.

REWARDS AND RECOGNITIONS

- **Hongkong and Shanghai Banking Corporation Ltd (HSBC)**, the world's local bank, has been ranked as the most valuable banking brand in 2010, according to BrandFinance® Banking 500. This is the third time in a row that the world's local bank has been adjudged as the most valuable banking brand. Besides topping list in the banking industry, HSBC has also increased its brand value by 12% to USD 28.5 bn.
- **Transcom Foods Ltd (TFL), franchisee of KFC in Bangladesh, recently won three awards from renowned restaurant group Yum! Restaurants International** at a function at Colombo, Sri Lanka. KFC won in the categories of 'Developer of the Year' and 'Running Great Restaurants', while the 'Franchisee of the Year' award went to TFL.
- **Rahimafrooz Distribution Limited has been accredited as the best distributor of Castrol lubricant for the year 2009** in Castrol South Asian Sub Region Partner's Conference 2010 which was held in Kuala Lumpur of Malaysia recently. Having a growth rate of 45% in the lubricant market of Bangladesh was the key indicator for Rahimafrooz Distribution Limited for this accreditation. Rahimafrooz Distribution Limited was also awarded for its performance for the 'best marketing attack strategy' and 'best brand equity building'.
- **Asian Development Bank (ADB) has awarded its five best performing project teams for 2009 in Bangladesh on January 31, 2010.** The winning project teams are urban governance and infrastructure improvement project being executed by the Local Government Engineering Department (LGED), north-west crop diversification project by the Department of Agricultural Extension, teaching quality

improvement in secondary education project by the Directorate of Secondary and Higher Education, emergency disaster damage rehabilitation (sector) project by the LGED, Roads and Highways Department, and Water Development Board and the gas transmission and development project, jointly executed by Gas Transmission Company, Sylhet Gas Fields, Bangladesh Gas Fields Company, Pashchimanchal Gas Company, Petrobangla, Bangladesh Gas Exploration Company, Titas Gas Transmission and Distribution Company and Hydrocarbon Unit of the Energy and Mineral Resources Division.

CSR ACTIVITIES IN THE MONTH

- **Standard Chartered Bank, Bangladesh**, has come forward to provide financial support to Kidney Foundation. Standard Chartered Chief Financial Officer Imtiaz Ibne Sattar handed over a sponsorship cheque to Kidney Foundation President Professor Harun-Ur-Rashid in Dhaka recently.
- **AB Bank Foundation** has recently distributed blankets as warm clothes to help and stand beside the poor and deprived poor population affected by the fierce winter. Under this activity, AB Bank Foundation has distributed blankets at different locations of Bhairab Upzilla.

INTERNATIONAL

- **India's inflation** jumped to its highest level in more than a year due to soaring food prices, data showed on February 15, 2010. Government figures showed the annual wholesale inflation rate -- India's benchmark price measure -- quickened to 8.56% year on year in January 2010. The rate is at its highest since November 2008. The rising cost of living has been driven mainly by food inflation, which leapt 17.4%, after the weakest monsoon rains in nearly four decades hit harvests.
- **US consumer prices** edged higher in January but core prices, stripping out food and energy, unexpectedly fell for the first time in 27 years amid a sluggish recovery. The consumer price index rose 0.2%, led by a surge in gasoline prices, the Labour Department reported in seasonally adjusted data.
- **Twelve-month inflation in Britain surged to 3.5% in January** -- the highest level for 14 months -- owing to a higher rate of tax on goods and services, according to the Office for National Statistics (ONS).
- **India's economic growth** slowed sharply in the final quarter of 2009 to 6% year on year, hit by lower farm output after the weakest monsoon in 37 years, data showed on February 26, 2010. The figure for the October-December period, the third quarter of India's fiscal year, compared with expansion of 7.9% in the previous quarter and 6.2% in the same period last year. The finance ministry's economic survey for the fiscal year to March 2010 projected economic growth would reach 8.75% in 2010-11, quickening to over 9% in the following year.
- **The US economy** grew a touch faster than initially thought in the fourth quarter as businesses drew down inventories at a much slower pace and boosted investment, a government report showed on February 26, 2010. In its second reading of fourth-quarter gross domestic product, the Commerce Department said the economy grew at a 5.9% annual rate, rather than the 5.7% pace it estimated last month. It was still the fastest pace since the third quarter of 2003.
- **Britain emerged from a record recession in unexpectedly strong shape in the fourth quarter of 2009**, revised data showed on February 26, 2010, easing fears that the economy had only just scraped out of recession. Gross domestic product

grew by 0.3% in the fourth quarter, according to the Office for National Statistics (ONS).

- **Singapore economy is expected to expand up to 6.5% this year** as countries that buy most of its exports emerge from recession and world financial markets stabilize. The government upgraded its growth forecast from 3-5% to 4.5-6.5% after the economy contracted by a slower-than-predicted 2% in 2009 due to a faster turnaround from recession. Gross domestic product rose 4% year-on-year in the fourth quarter to December, faster than the 0.6% expansion in the third quarter, according to the Ministry of Trade and Industry.
- **Malaysia's economy** has recovered from the global crisis and could expand by 5% this year, Premier Najib Razak said on February 24, 2010 after announcing strong growth in the three months to December. The fourth quarter expansion of 4.5% was much healthier than expected, and represented a rebound after three consecutive quarters of contraction. For the year 2009, the economy contracted by 1.7%, lower than negative 3% or 4% that was projected earlier.
- **'World trade last year suffered its biggest collapse since World War II, contracting in volume by around 12% in 2009,'** according to Pascal Lamy, Director General of the World Trade Organization (WTO).

UPCOMING EVENTS

Event	Period	Location
Food and beverage exhibition – "FOODEX Japan-2010"	02-05 March 2010	Chiba, Japan
Digital Innovation Fair, 2010	04-06 March 2010	Dhaka, Bangladesh
international tourism fair Dhaka Travel Mart 2010	11-13 March 2010	Dhaka, Bangladesh
Single Country Trade Fair	26-28 March 2010	Greece
Single Country Trade Fair	April 2010	Mumbai, Delhi, Bangalore and Hyderabad of India
Single Country Trade Fair	24-25 May 2010	Sweden
Bangladesh Clothing Show 2010	28-29 May 2010	London
Single Country Trade Fair	25-27 June 2010	Italy

KEY DIPLOMATIC / INTERNATIONAL ORGANIZATIONS APPOINTMENTS

Organization	Position	Name
Junior Chamber International, Bangladesh	National President	Md Shahid Uddin Akbar

MANAGEMENT CHANGE - BANKS & FIS

Organization	Position	Name
Fareast Islami Life Insurance Company Ltd	Chairman	Md Nazrul Islam
Homeland Life Insurance Company Limited	Chairman	Major (rtd) Mohammed Jahangir
Phoenix Insurance Company Limited	MD	Fariduddin Khan Siddiqui

Note: The information in this and the preceding pages has been compiled from press reports and miscellaneous publicly available sources unless otherwise specified. The authenticity and correctness of the information has not been verified.

CAPITAL MARKET REVIEW

DSE * TOP 15 APPRECIATING ISSUES IN THE MONTH

DSE CODE	SECTOR	MONTHLY APPRECIATION	MONTHLY Av. P/E RATIO	LAST TRADING DAY P/E RATIO	LAST TRADING DAY PRICE	STD. DEV. OF PRICES/ Av. PRICE	Av. MARKET CAPITALIZATION BDT mn	CASH DIV. IN BDT	STOCK DIV.
DHAKAINS	INSURANCE	706.4%	na	na	763.3	2.6%	1,173.63	-	-
DBH1STMF	MUTUAL FUNDS	166.0%	na	na	23.3	6.2%	3,170.40	-	-
PRIME1ICBA	MUTUAL FUNDS	119.8%	na	na	20.0	6.7%	2,296.11	-	-
GP	TELECOMMUNICATION	30.5%	148.7	160.8	355.3	9.9%	443,744.12	-	-
BANGAS	FOOD & ALLIED	25.4%	107.1	not traded	not traded	10.8%	216.39	15.0	-
AIMS1STMF	MUTUAL FUNDS	24.2%	61.9	not traded	not traded	7.1%	3,157.84	-	-
LANKABAFIN	FINANCIAL INSTITUTIONS	23.0%	22.8	25.8	433.3	7.4%	16,958.72	1.5	20%
MAKSONSPIN	TEXTILE	15.7%	63.2	61.4	105.1	4.0%	4,731.01	-	20%
BEXIMCO	MISCELLANEOUS	15.4%	37.4	39.0	376.5	6.0%	34,052.38	1.0	50%
PURABIGEN	INSURANCE	15.1%	193.3	205.5	1,618.8	8.8%	1,005.19	-	10%
GOLDENSON	ENGINEERING	14.9%	77.8	88.3	73.7	7.2%	1,786.86	1.0	10%
KEYACOSMET	PHARM. & CHEM.	14.0%	33.8	35.2	110.6	7.8%	3,062.80	1.5	-
NAVANACNG	ENGINEERING	13.7%	36.2	37.7	254.2	6.6%	8,867.33	-	-
GEMINISEA	FOOD & ALLIED	13.3%	15.1	not traded	not traded	3.8%	169.66	15.0	-
PRIMEFIN	FINANCIAL INSTITUTIONS	12.6%	51.4	54.6	2,424.8	5.0%	14,701.19	-	40%

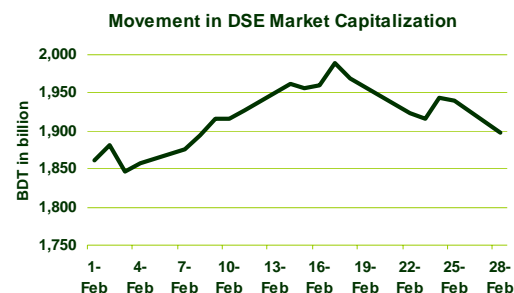
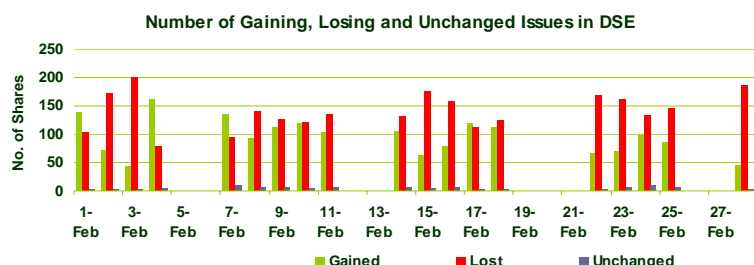
*The above is based on all DSE A, N-Category Stocks and selected B & Z category stocks. Earnings and dividend figures are the latest as available (audited) from DSE archives in the period of the review. "-" indicates "not available" or "zero". For further information, please write to creditriskmgt@idlc.com

DSE * TOP 15 DECLINING ISSUES IN THE MONTH

DSE CODE	SECTOR	MONTHLY DECLINE	MONTHLY Av. P/E RATIO	LAST TRADING DAY P/E RATIO	LAST TRADING DAY PRICE	STD. DEV. OF PRICES/ Av. PRICE	Av. MARKET CAPITALIZATION BDT mn	CASH DIV. IN BDT	STOCK DIV.
DUTCHBANGL	BANK	-25.9%	34.0	30.0	1,645.3	9.2%	27,948.16	-	33.33%
1STBSRS	MUTUAL FUNDS	-24.3%	87.5	74.3	973.5	8.4%	573.25	-	-
APEXFOODS	FOOD & ALLIED	-21.4%	274.0	246.4	1,054.3	5.8%	668.64	12.0	-
LAFSURCEML	CEMENT	-21.1%	45.3	40.8	446.3	8.8%	28,760.80	-	-
PHARMAID	PHARM. & CHEM.	-21.0%	16.5	15.0	3,093.5	5.2%	177.41	30.0	-
AL-HAJTEX	TEXTILE	-20.9%	86.4	81.4	79.7	4.9%	650.62	-	10%
BDCOM	IT-SECTOR	-20.9%	76.7	70.7	60.8	7.7%	812.21	1.0	-
TRUSTB1MF	MUTUAL FUNDS	-20.0%	na	na	20.2	5.9%	4,637.89	-	-
PADMAOIL	FUEL & POWER	-19.8%	31.9	27.7	662.4	5.1%	7,476.83	5.0	200%
MONNOCERA	CERAMIC	-19.8%	697.5	638.0	486.8	5.2%	718.38	10.0	-
MITHUNKNIT	TEXTILE	-19.2%	40.5	37.7	557.8	6.4%	299.66	10.0	-
FIRSTSBANK	BANK	-17.6%	63.0	55.5	251.5	5.6%	6,570.74	-	-
LIBRAINFU	PHARM. & CHEM.	-17.3%	56.9	53.8	1,880.0	5.5%	248.68	15.0	-
DELTASPINN	TEXTILE	-17.1%	29.6	26.8	449.3	6.3%	757.76	10.0	-
ORIONINFU	PHARM. & CHEM.	-16.5%	42.3	39.4	733.5	4.2%	1,603.87	12.5	-

*The above is based on all DSE A, N-Category Stocks and selected B & Z category stocks. Earnings and dividend figures are the latest as available (audited) from DSE archives in the period of the review. "-" indicates "not available" or "zero". For further information, please write to creditriskmgt@idlc.com

DSE CAPITALIZATION AND GAINING, LOSING & UNCHANGED ISSUES

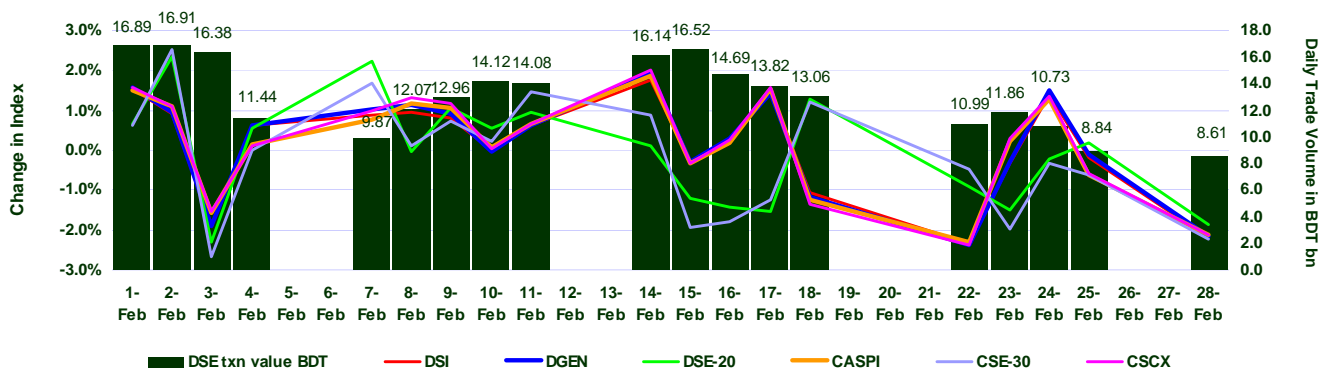


DSE* INDUSTRY-WISE STATISTICS

Sector/Industry	Capitalization BDT mn (Avg.)	% Sector Caps	Number	Simple Av. Price Change in Period	Simple Av. P/E Ratio	Weighted Av. P/E Ratio
Bank	459,399	32.25%	30	-5.16%	19.73	17.28
Cement	49,235	3.46%	4	-11.48%	19.21	52.17
Ceramic	8,426	0.59%	3	-8.05%	235.77	(116.60)
Corporate Bond	2,980	0.21%	1	-0.86%	-	-
Engineering	64,901	4.56%	15	-5.34%	40.09	53.61
Financial Institutions	182,578	12.82%	21	0.42%	41.12	36.69
Food & Allied	38,753	2.72%	9	1.84%	70.66	35.98
Fuel & Power	194,259	13.64%	9	-6.02%	44.68	25.22
Insurance	82,749	5.81%	40	12.63%	36.55	91.12
IT-Sector	4,474	0.31%	5	-12.59%	78.66	70.98
Jute	277	0.02%	2	-7.71%	18.12	59.42
Miscellaneous	62,696	4.40%	9	-1.99%	40.59	50.72
Mutual Funds	31,701	2.23%	22	7.26%	25.37	42.28
Paper & Printing	4	0.00%	1	0.00%	-	-
Pharm. & Chem.	159,142	11.17%	18	-7.08%	49.86	33.66
Services & Real Estate	25,829	1.81%	5	-5.22%	42.68	56.20
Tannery	14,017	0.98%	3	-2.72%	17.11	17.02
Textile	42,882	3.01%	15	-7.29%	33.81	51.47
TOTAL	1,424,302	100.0%	212	-0.03%		

*The above includes all DSE A, G, N-Category Stocks and selected B & Z category stocks. Earnings and dividend figures are the latest as available (audited) from DSE archives in the period of the review. For further information, please write to creditriskmgt@idlc.com

MOVEMENT OF DSE AND CSE INDICES



FORTHCOMING IPO APPROVED BY SEC

Name of the issue	Sponsors' Equity (BDT mn)	IPO Amount (BDT mn)	Public Offer (in unit)	Date for subscription
Phoenix Finance 1 st Mutual Fund	200.00	300.00	30,000,000 ordinary shares	07-11 March 2010
ICB AMCL 3 rd NRB Mutual Fund	100.00	800.00	80,000,000 ordinary shares	28 March- 01 April 2010

Source: DSE Website

INTERNATIONAL MARKET MOVEMENTS

Markets	Index Feb 17 th	One Week	% Change on	
			Dec 31 st 2008	
			In local currency	In USD
United States (DJIA)	10,309.2	+2.7	+17.5	+17.5
United States (S&P 500)	1,099.5	+2.9	+21.7	+21.7
United States (NAScomp)	2,226.3	+3.7	+41.2	+41.2
Japan (Nikkei 225)	10,306.8	+3.4	+16.3	+16.1
China (SSEA)	3,164.7	+1.2	+65.5	+65.3
Britain (FTSE 100)	5,276.6	+2.8	+19.0	+30.1
Canada (S&P TSX)	11,635.5	+3.1	+29.5	+52.8
Germany (DAX)	5,648.3	+2.0	+17.4	+15.3
Hong Kong (Hang Seng)	20,534.0	+3.1	+42.7	+42.4
India (BSE)	16,428.9	+3.2	+70.3	+80.0
Pakistan (KSE)	9,867.1	+1.3	+68.2	+56.7
Singapore (STI)	2,794.1	+2.2	+58.6	+62.6

Source: The Economist

YEARLY PROFIT & DIVIDEND DECLARATIONS IN FEBRUARY

DSE Code	Latest Financial Year		Dividend Declaration		
	Profit (BDT mn)	EPS (BDT)	Cash	Stock	Right
BEACHHATCH	37.61	1.71	-	12.00%	-
BRACBANK	1,373.36	64.37	-	30.00%	-
LANKABAFIN	744.07	16.81	15.00%	20.00%	-

DSE Code	Latest Financial Year		Dividend Declaration		
	Profit (BDT mn)	EPS (BDT)	Cash	Stock	Right
MERCANBANK	807.52	37.41	-	22.00%	-
MTBL	820.61	46.46	-	20.00%	-
ULC	162.13	61.41	7.50%	100.00%	-

DIVIDEND DECLARATIONS IN FEBRUARY

DSE Code	Dividend Declaration		
	Cash	Stock	Right
1STPRIMFMF	12.50%	-	-
DHAKABANK	-	25.00%	-
DUTCHBANGL	-	33.33%	-
EBL	20.00%	17.00%	-
First ICB	310.00%	-	-
Second ICB	95.00%	-	-
Third ICB	85.00%	-	-
Fourth ICB	80.00%	-	-
Fifth ICB	56.00%	-	-

DSE Code	Dividend Declaration		
	Cash	Stock	Right
Sixth ICB	37.00%	-	-
Seventh ICB	35.00%	-	-
Eighth ICB	32.00%	-	-
GLAXOSMITH	160.00%	-	-
ICB1STNRB	24.00%	-	-
ICB2NDNRB	12.50%	-	-
ICBAMCL1ST	35.00%	-	-
ICBISLAMIC	25.00%	-	-
NBL	-	55.00%	-

DSE Code	Dividend Declaration		
	Cash	Stock	Right
PEOPLESINS	-	20.00%	-
PREMIERBAN	-	30.00%	-
PRIMEBANK	10.00%	30.00%	-
PURABIGEN	-	-	2 : 1
SINOBANGLA	5.00%	-	-
SOUTHEASTB	-	35.00%	-
UNITEDINS	10.00%	20.00%	-

UN-AUDITED HALF YEARLY RESULTS DECLARED IN FEBRUARY

DSE Code	Profit (BDT mn)	EPS (BDT)
1STBSRS	0.76	1.52
1STICB	15.95	212.65
2NDICB	3.93	78.52
3RDICB	6.84	68.41
4THICB	6.34	63.42
5THICB	6.68	44.56
6THICB	14.13	28.25
7THICB	8.44	28.14

DSE Code	Profit (BDT mn)	EPS (BDT)
8THICB	12.32	24.64
AGNISYSL	15.87	0.77
BSC	(266.13)	(133.06)
CTGVEG	(23.60)	(23.60)
DACCADYE	11.36	0.25
DELTASPINN	13.07	8.55
DHAKAFISH	(5.57)	(17.57)
DHAKAINS	11.65	19.41

DSE Code	Profit (BDT mn)	EPS (BDT)
FINEFOODS	6.67	0.79
GULFOODS	(1.11)	(2.92)
HAKKANIPUL	4.63	0.24
IMAMBUTTON	(1.72)	(2.45)
OLYMPIC	81.60	35.15
RAHIMTEXT	1.78	9.78
RNSPIN	79.23	11.77
SONALIANS	7.69	34.02

UN-AUDITED QUARTERLY RESULTS DECLARED IN FEBRUARY

DSE Code	Profit (BDT mn)	EPS (BDT)	As on
DAFODILCOM	5.72	0.25	31-Dec-09
DHAKAINS	17.49	29.14	30-Sep-09
EHL	(8.99)	(1.45)	31-Jan-10
GEMINISEA	0.44	4.01	31-Dec-09
GP	8,444.36	6.44	31-Dec-09

DSE Code	Profit (BDT mn)	EPS (BDT)	As on
HRTEX	2.08	1.04	31-Dec-09
MAKSONSPIN	44.21	1.01	31-Dec-09
MARICO	127.94	4.06	31-Dec-09
RNSPIN	32.24	4.79	30-Sep-09
SALAMCRST	24.15	4.53	31-Dec-09

MUTUAL FUNDS VALUE DECLARED IN FEBRUARY

DSE Code	NAV (BDT/Unit)	Face Value (BDT/Unit)
1STBSRS	1,389.77	100
1STPRIMFMF	18.44	10
AIMS1STMF	5.41	1
EBL1STMF	14.00	10
GRAMEEN1	57.55	10
GRAMEENS2	19.99	10
ICB1STNRB	396.63	100
ICB2NDNRB	185.60	100

DSE Code	NAV (BDT/Unit)	Face Value (BDT/Unit)
ICBAMCL1ST	554.57	100
ICBAMCL2ND	122.19	100
ICBISLAMIC	324.31	100
ICBEPMF1S1	10.42	10
TRUSTB1MF	11.71	10
DBH1STMF	10.32	10
PRIME1ICBA	10.30	10
First ICB	9,886.73	100

DSE Code	NAV (BDT/Unit)	Face Value (BDT/Unit)
Second ICB	2,816.54	100
Third ICB	2,175.10	100
Fourth ICB	2,273.03	100
Fifth ICB	2,012.62	100
Sixth ICB	769.72	100
Seventh ICB	1,184.13	100
Eighth ICB	885.65	100

SELECTED DSE NEWS OF THE MONTH

DSE CODE	NEWS
AGNISYSL	The company has informed that the Board of Directors of the company has recommended right shares @ 1R:2 i.e. one right share for every two shares at an issue price of BDT 20 each including a premium of BDT 10 each for raising paid up capital of the company subject to approval of shareholder in the EGM and the regulatory authorities. The company has also informed that it will issue 10 mn preference shares at an issue price of BDT 20 each (including a premium of BDT 10) under private placement arrangement subject to the approval of shareholders of the company in the EGM and SEC. The shares shall be fully converted into ordinary shares after one year effective from the date of allotment and shall carry an annual coupon @ 8%. The conversion price of the preference shares into ordinary shares shall be at the original issue price i.e. BDT 20 (including premium of BDT 10 each only).
BXPHARMA	As per terms and conditions of preference shares issue, one half (50%) i.e. BDT 50 of each preference share, allotted earlier to the subscribers of preference shareholders against their subscriptions, are converted into 1,61,69,191 ordinary shares of BDT 10 each being 50% of the total issue and allotted on February 01, 2010 at BDT 126.66 each after 25% discount on BDT 168.88 to the weighted average price of last 3 months of the Dhaka Stock Exchange Ltd. during the three months effective from November 01, 2009 to January 31, 2010.
DHAKAINS	As per decision of the Board of Directors of DSE, trading of the shares of Dhaka Insurance Limited (DSE Trading Code: "DHAKAINS" and DSE company code # 25744) will start at DSE with effect from February 18, 2010 under 'N' category.
FIRSTSBANK	The Board of Directors of the Bank has decided to change the denomination of shares of the Bank from BDT 100 to BDT 10 and determined the market lot of shares from 50 to 250 shares per lot subject to the approval in the EGM and regulatory authorities.
FUWANGFOOD	The Board of Directors of the company has recommended right issue @ 1R:1 at par for raising paid up capital subject to approval of shareholder in the EGM and the regulatory authorities. The Board of Directors has also recommended increasing Authorized Capital from existing BDT 500 mn to BDT 1 bn subject to approval in the EGM and the regulatory authorities.
IDLC	The Board of Directors of the company has decided to form a separate fully owned subsidiary company for its merchant banking activities in the name and style "IDLC Investments Limited" subject to the approval of Regulatory Authorities. The newly formed company's authorized and paid-up capital would be BDT 3 bn and BDT 400 mn, respectively.
JAMUNABANK	The Board of Directors of the Bank has decided to increase the Authorized Capital of the Bank from existing BDT 4 bn to BDT 10 bn divided into 100 mn shares of BDT 100 each subject to the approval in the EGM and regulatory authorities.
KARNAPHULI	The Board of Directors of the company has decided to increase Company's Authorized Capital from BDT 300 mn to BDT 600 mn which would be placed before Extra Ordinary General Meeting for approval by the Shareholders in due course.
LANKABAFIN	The Board of Directors of LankaBangla Securities Limited (99.99% owned by LankaBangla Finance Ltd.) has recommended stock dividend @ 104.25% including interim dividend declared earlier @ 63.40% for the year 2009.
MAKSONSPIN	The Board of Directors has recommended for raising paid-up capital by issuing Right Share @ 2R: 1 on paid up capital at an issue price of BDT 25 each (including a premium of BDT 15 each share). The Board has also decided to increase Authorized Capital from BDT 1 bn to BDT 5 bn subject to the approval of EGM and regulatory authorities.
MERCANBANK	SEC has approved the Right Issue of Mercantile Bank Ltd. for 1,43,89,423 Ordinary Shares of BDT 100 each at par totalling BDT 1,438.94 mn only at a ratio of 2:3 i.e. two Rights Shares for three existing shares.
NCCBANK	SEC has approved the Right Issue of NCC Bank Ltd. for 1,14,24,501 Ordinary Shares of BDT 100 each at par totalling BDT 1,142.45 mn only at a ratio of 1R:2.
RNSPIN	As per decision of the Board of Directors of DSE, trading of the shares of R. N. Spinning Mills Limited (DSE Trading Code: "RNSPIN" and DSE Company Code # 17450) has been started from February 09, 2010 under 'N' category.
SEC NEWS	SEC vide its directive no. SEC/CMRRCD/2001-43/17 dated February 08, 2010 has directed the Dhaka Stock Exchange Limited. to discontinue, until further order, the financial adjustment facilities provided by the stock-brokers to their customers vis-à-vis by the stock exchanges to their stock-brokers and stock-dealers in respect of trading in share of Grameenphone Ltd. This Directive shall become effective from the trading day of February 10, 2010.
SEC NEWS	SEC vide its Directive No. SEC/CMRRCD/2009-193/22 dated February 18, 2010 has directed the Dhaka Stock Exchange Ltd. to place the shares of Grameenphone Ltd. and Marico Bangladesh Ltd. under Spot Market for trading with relevant clearing and settlement regulations applicable for the trades in the Spot Market. This Directive shall be effective from the trading day of February 22, 2010, and will continue until further Directive.

FINANCIAL GLOSSARY

Lead underwriter	The head of a syndicate of financial firms that are sponsoring an initial public offering of securities or a secondary offering of securities. Could also apply to bond issues.
Leakage	Release of information to some persons before official public announcement.
Lease	A long-term rental agreement and a form of secured long-term debt.

Source: Forbes.com

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Issue Management
Underwriting
Investment Advisory
Placement of Equity, Debentures and Bonds
Custodial Services

SUBSIDIARIES

IDLC Securities Limited, a fully owned subsidiary of IDLC, offers full-fledged international standard brokerage service for retail and institutional clients. It has seats on both the Dhaka and Chittagong Stock Exchanges. It is also a Depository Participant (DP) of Central Depository Bangladesh Limited (CDBL).

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