

Bangladesh market snapshot

	Last closing
DSEX Index	5,217.91
% change	-0.57%
DS30 Index	1,825.52
% change	-0.59%
DSES Index	1,203.37
% change	-0.58%
Turnover (BDT mn)	2,513.65
Turnover (USD mn)	29.92
% change	-17.59%
Market Capitalization (BDT bn)	3,846
Market Capitalization (USD bn)	45.79
% change	-0.48%

Source: Dhaka Stock Exchange

International market snapshot

	Last closing
Dow Jones Industrial Average	25,532.05
% change	0.82%
Nikkei 225	21,051.24
% change	-0.08%
FTSE 100	7,241.60
% change	1.09%

Source: Bloomberg

Exchange rate

Currency	BDT
USD	84.50
EUR	94.92
GBP	109.36
INR	1.21

Source: Bloomberg

Money Market

Date	Call Money Rate Range	Weighted Average (%)
13-May-2019	3.25-5.00	4.55
12-May-2019	3.25-5.00	4.53

Source: Bangladesh Bank

Commodities

	Price	% Change
Brent Crude (Oil), USD/bbl	70.96	-0.04%
Gold Spot, USD/t oz	1,295.56	0.07%
Cotton, USD/lb	66.76	0.01%

Source: Bloomberg

Economy

Govt bond yield rises sharply

Yield on government treasury bonds (T-bonds) increased significantly on Tuesday following an upward trend in interest rates particularly on bank deposits. High yield on the government securities may continue till July due to higher demand for liquidity ahead of Eid-ul-Fitr festival along with impact on closing of the fiscal year, according to officials and bankers.

<http://today.thefinancialexpress.com.bd/last-page/govt-bond-yield-rises-sharply-1557855831>

Disagreement over new VAT law ends, finally

Finance Minister AHM Mustafa Kamal said on Tuesday the new value added tax (VAT) law will be implemented from the next fiscal year as the businesses and the government sank differences over it.

<http://today.thefinancialexpress.com.bd/first-page/disagreement-over-new-vat-law-ends-finally-1557855673>

Low price worries Boro growers

Grassroots Boro growers in the district are worried over acute low price of their newly-harvested produce. Some growers said, "We have achieved bumper yield of Boro but we are not getting fair price." The Department of Agriculture Extension (DAE) office sources, over 1,97,850 hectares of land were brought under the production of Boro in the district this season.

<http://today.thefinancialexpress.com.bd/country/low-price-worries-boro-growers-1557843806>

Bank & NBFIs

Liquidity crisis grips leasing companies

About 60% funding of leasing companies comes from the banking sector, of them 40% are fixed deposits of banks and 20% funding comes from call money market. Highly bank dependency has made the leasing companies in crisis, according to related people.

<https://www.dhakatribune.com/business/economy/2019/05/14/liquidity-crisis-grips-leasing-companies>

Suspicious transactions go up 64pc

Banks and financial organisations sent a record number of suspicious transaction and activities reports to the Bangladesh Financial Intelligence Unit last fiscal year, in an indication of their commitment to fight money laundering. In fiscal 2017-18, the BFIU received a total of 3,878 suspicious transaction reports (STR) and suspicious activity reports (SAR) from reporting agencies, up 64.50 percent year-on-year, according to the BFIU's annual report, which was released last week.

<https://www.thedailystar.net/business/news/suspicious-transactions-go-64pc-1743793>

Fuel & Power

Pause in approval to new power plants likely

The government is likely to stop giving permission to set up new

power plants for now, considering that the existing plants are enough to meet the demand for power until 2030. A high-powered committee has recently recommended the pause in the approval process.

<http://today.thefinancialexpress.com.bd/first-page/pause-in-approval-to-new-power-plants-likely-1557855631>

Insurance

Ban on use of multiple accounts for collecting ins premium

The insurance regulator has issued a notice recently imposing a restriction on use of multiple bank accounts by non-life insurance companies for premium collection. Only one bank account can be used and the same must be used to pay taxes to the government, a limit put in place to stop unhealthy commission business, said Gokul Chand Das, a member of the Insurance Development and Regulatory Authority (IDRA).

<https://www.thedailystar.net/business/news/ban-use-multiple-accounts-collecting-ins-premium-1743790>

Capital Market

DSE turnover hits 13-month low

The stocks have continued to bleed on Dhaka Stock Exchange, pushing the turnover to a 13-month low yesterday despite a raft of measures from the government that aimed to revive the market. The turnover, an important indicator, dropped 17.59 percent to Tk 251.4 crore, the lowest since March 25, when it was Tk 224.53 crore.

<https://www.thedailystar.net/business/news/dse-turnover-hits-13-month-low-1743796>

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Expected absolute returns are calculated as the percentage 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 +15 % and -5 %
Underweight	12 Months	Less than -5 %

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