

Bangladesh market snapshot

	Last closing
DSEX Index	4,008.29
% change	0.80%
DS30 Index	1,330.83
% change	0.53%
DSES Index	920.69
% change	0.37%
Turnover (BDT mn)	3,481.39
Turnover (USD mn)	41.45
% change	149.49%
Market Capitalization (BDT bn)	3,122
Market Capitalization (USD bn)	37.17
% change	0.46%

Source: Dhaka Stock Exchange

International market snapshot

	Last closing
Dow Jones Industrial Average	22,679.99
% change	+7.73%
Nikkei 225	18,808.53
% change	+1.25%
FTSE 100	5,582.39
% change	+3.08%

Source: Bloomberg

Exchange rate

Currency	BDT
USD	84.95
EUR	91.67
GBP	99.90
INR	1.11

Source: Bangladesh Bank

Money market

Date	Call Money Rate Range (%)	Weighted Average (%)
24-Mar-2020	4.40-5.50	5.17
23-Mar-2020	4.25-5.50	5.16

Source: Bangladesh Bank

Commodities

	Price	% Change
Brent Crude (Oil), USD/bbl	33.94	+2.69%
Gold Spot, USD/t oz	1,661.79	+0.05%
Cotton, USD/lb	53.10	+0.09%

Source: Bloomberg

Economy

Unbanked firms stand to miss out

Often bypassed by banks, the informal sector is unlikely to get much benefit from the government's Tk 727.50 billion stimulus package, fear economists. They hailed the Prime Minister for unveiling the package, but suggested the government allocate cash support for the informal economic establishments and entrepreneurs who generate substantial jobs.

<https://today.thefinancialexpress.com.bd/last-page/unbanked-firms-stand-to-miss-out-1586193183>

UK announces £21m assistance for Bangladesh

The UK on Monday announced an assistance of 21 million British pound to Bangladesh for fighting the coronavirus epidemic. Out of the total amount, seven million pound has been allocated to UNICEF, WHO and World Bank programmes for strengthening national health system of Bangladesh that includes providing personal protective equipment to medical practitioners and health sector workers, supplying testing facilities and oxygen support system to hospitals. On the other hand, three million pound has been earmarked for UNDP, which will spend the money for raising health related awareness like hand washing among 2.26 million urban slum dwellers in 20 cities in Bangladesh. One million pound will be spent through BRAC using its health workers' network.

<https://today.thefinancialexpress.com.bd/metro-news/uk-announces-21m-assistance-for-bangladesh-1586189571>

Bank and NBF

Banks grumbling about the onus of bailout package imposed on them

Banks will face trouble in implementing the government's Tk 72,500 crore bailout package due to their ongoing liquidity crunch that has been compounded by the coronavirus pandemic. A total of Tk 50,000 crore will have to be provided by banks to implement the package. The initiative taken by the government is an excellent effort to resolve the crisis, but banks have been given the short end of the stick. Against the backdrop, the governing body of the ABB will arrange a meeting today to explore avenues on how to address the issues.

<https://www.thedailystar.net/business/news/banks-grumbling-about-the-onus-bailout-package-imposed-them-1890337>

Bangladesh Bank may further ease policy rates to ensure liquidity supply

The Bangladesh Bank is likely to relax further the policy rates with a view to ensuring the availability of adequate cash in the banking system to support the government's stimulus packages, mostly in the form of loan issuance to the small, medium and large industries. Under the policy relaxation, the central bank may lower the mandatory cash reserve ratio (CRR) and statutory regulatory ratio

(SLR) for the banks.

<https://www.newagebd.net/article/103921/bangladesh-bank-may-further-ease-policy-rates-to-ensure-liquidity-supply>

Engineering

Steelmakers facing cocktails of challenges

Steel manufacturers are bracing for massive losses as the coronavirus pandemic has disrupted the import of raw materials and production -- a development that will also deal a blow to real estate and infrastructure projects. As much as 90 per cent of the raw materials are imported from the US, Canada, Italy, the UK and Australia, which have gone into partial or full lockdown since the beginning of March to contain the spread of the highly contagious and deadly pathogen. In the first two weeks of March, the steelmakers' losses amounted to Tk 350 crore. If the situation goes on like this for the next four months, the losses will run north of Tk 4,000 crore.

<https://www.thedailystar.net/business/news/steelmakers-facing-cocktails-challenges-1890331>

Fuel and Power

BPC set to cease imports of petroleum products in May

State-run Bangladesh Petroleum Corporation, or BPC, is set to cease imports of petroleum products in May as the ongoing nationwide shutdown to combat the coronavirus pandemic has dented domestic demand and inadequate storage facility. The country's shutdown, which will last until April 14 restricts almost all types of transportation including air, rail, public transport as well as movement of private vehicles with the exception of some critical travel services being offered during this period.

<https://today.thefinancialexpress.com.bd/last-page/bpc-set-to-cease-imports-of-petroleum-products-in-may-1586193253>

Pharmaceuticals

Incepta ceases Reconil export

Incepta Pharmaceuticals has stopped exporting Hydroxychloroquine under the brand name 'Reconil' to meet its possible demand to fight COVID-19 here. It has also scaled up production of the medicine that has shown promise, in some cases, in treating the coronavirus disease, COVID-19. Many countries are willing to import Reconil from Incepta, but the local drug-maker is not currently exporting it considering possible domestic demand.

<https://today.thefinancialexpress.com.bd/trade-market/incepta-ceases-reconil-export-1586188559>

Textile

RMG units shut until April 14

Leaders of the apparel sector trade-bodies, after a meeting on Monday, decided to keep ready-made garment (RMG) factories closed until April 14 in line with the public holiday, following much criticism from different quarters over the issue. Bangladesh Garment Manufacturers and

Exporters Association (BGMEA) and Bangladesh Knitwear Manufacturers and Exporters Association (BKMEA) also requested their members to pay workers' monthly wages and other allowances by April 16.

<https://today.thefinancialexpress.com.bd/first-page/rmg-units-shut-until-april-14-1586192811>

Stocks

EBL declares 25pc cash dividend for 2019

The board of directors of Eastern Bank Ltd (EBL) has recommended 25 per cent cash dividend for the year ended on December 31, 2019. The final approval of the dividend will come during the annual general meeting (AGM) scheduled to be held on May 19 in Dhaka. The record date for entitlement of dividend is May 3, 2020.

<https://today.thefinancialexpress.com.bd/stock-corporate/ebl-declares-25pc-cash-dividend-for-2019-1586185580>

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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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