

## Bangladesh market snapshot

	Last closing
DSEX Index	4,129.96
% change	-2.40%
DS30 Index	1,381.59
% change	-2.27%
DSES Index	957.79
% change	-2.22%
Turnover (BDT mn)	4,094.23
Turnover (USD mn)	48.74
% change	-3.10%
Market Capitalization (BDT bn)	3,214
Market Capitalization (USD bn)	38.26
% change	-1.94%

Source: Dhaka Stock Exchange

## International market snapshot

	Last closing
Dow Jones Industrial Average	23,553.22
% change	-5.86%
Nikkei 225	18,559.63
% change	-4.41%
FTSE 100	5,548.12
% change	-5.59%

Source: Bloomberg

## Exchange rate

Currency	BDT
USD	84.95
EUR	95.75
GBP	108.95
INR	1.15

Source: Bangladesh Bank

## Money market

Date	Call Money Rate Range	Weighted Average (%)
11-Mar-2020	4.50-5.50	5.21
10-Mar-2020	4.50-5.50	5.21

Source: Bangladesh Bank

## Commodities

	Price	% Change
Brent Crude (Oil), USD/bbl	33.85	1.90%
Gold Spot, USD/t oz	1,529.84	-2.94%
Cotton, USD/lb	60.49	1.32%

Source: Bloomberg

## Economy

### Remittance was cruising. Then COVID-19 popped up and made it swerve

When China sneezes, the world catches a cold, it is often said. And Bangladesh, which has so far been immune from the China-originating coronavirus that is tearing through the globe since January, has started to feel the cold: remittance, one of the lifelines for the economy, has started to feel the twitch. Of the top 30 remittance sending countries, inflows from 19 have contracted in the first two months of the year, according to data from the central bank.

<https://www.thedailystar.net/business/news/remittance-was-cruising-then-covid-19-popped-and-made-it-swerve-1880968>

### Import falls 17% in a month at Chattogram port

Import at the Chattogram port has decreased by 17 percent in a month in the wake of the coronavirus pandemic, with readymade garment raw material recording the highest fall, according to data of the Customs House, Chattogram. In January this year, over 1.06 crore tonnes of products were imported through the port. The number decreased to 88.18 lakh tonnes in February. Export also shrunk within this period at the Chattogram port.

<https://tbsnews.net/economy/trade/import-falls-17-month-chattogram-port-56227>

<https://www.thedailystar.net/business/news/export-container-movement-remains-halted-1879987>

### Budget deficit swells in five months

The country's budget deficit reached Tk 359 billion in the first five months to November, a 37 per cent jump over the same period last fiscal, the ministry of finance data show. During the period, total expenditure amounted to Tk 1,357 billion, compared with revenue receipt of Tk 998 billion. Furthermore, between July and November, the government received a total of Tk 10.72 billion in external funding to execute the budget, almost half the amount it secured in the year-earlier period.

<https://today.thefinancialexpress.com.bd/first-page/budget-deficit-swells-in-five-months-1584204978>

### Coronavirus: Dhaka's circular railway project on standstill

Progress of the feasibility study of the circular railway project surrounding Dhaka is now on a standstill due to the ongoing coronavirus outbreak worldwide. This project is being implemented by Bangladesh Railway (BR) with Hubei based Chinese firm China Railway SIYUN Survey and Design Group Ltd as the consultancy partners.

<https://www.dhakatribune.com/bangladesh/2020/03/14/coronavirus-dhaka-s-circular-railway-project-on-standstill-2>

## **Car manufacturing in Bangladesh: preparing for the next biggest industry after apparel**

Bangladesh will soon start manufacturing cars, that too electric ones, according to a news report published in The Daily Star with the headline "Local firm to set up a \$200m plant to make electric vehicle" in July last year. Presently the country has 12 million people of the medium-income generating affluent bracket and this segment of the population is growing very fast -- by 10 per cent a year.

<https://www.thedailystar.net/business/news/car-manufacturing-bangladesh-preparing-the-next-biggest-industry-after-apparel-1880917>

## **NBR to enroll 1.5 lakh new VAT payers in Mujib Year**

The National Board of Revenue has set a target to register 1.5 lakh new VAT payers to raise the tally to 3 lakh in Mujib Year. To this end, the NBR already directed its 12 VAT Commissionerates to take the necessary measures to bring new VAT payers under the tally, marking the birth centenary of the country's founding president, Sheikh Mujibur Rahman, said officials.

<https://www.newagebd.net/article/102211/nbr-to-enroll-15-lakh-new-vat-payers-in-mujib-year>

## **Textile**

### **All is well on the apparel export front**

Major Western clothing retailers said they are yet to cut back on their work orders from Bangladesh for the coronavirus outbreak in Europe and the US -- where most of the country's apparel products are headed -- in a reassuring development for the sector that rakes in 84 per cent of the exports receipts and employs about 4 million. The Daily Star spoke with the country managers of four major clothing brands, all of which are household names in the Western world, and they all said the same thing: that there are no plans to revise down their sourcing targets from Bangladesh.

<https://www.thedailystar.net/business/news/all-well-the-apparel-export-front-1880956>

## **Capital Market**

### **Seven banks form Tk1400cr special fund for stock market**

Seven state-owned and private commercial banks have formed special fund of Tk200 crore each to prop up the wobbly stock market, a top Bangladesh Bank (BB) official has told Dhaka Tribune. The seven banks, out of 60, formed their funds in compliance with an instruction from the BB, served last month to all banks in the country. The banks concerned were expected to invest their funds in the capital market from next week, sources said. The banks are Sonali Bank, Janata Bank, Rupali Bank, United Commercial Bank, Shahjalal Islami Bank, The City Bank and Islami Bank Bangladesh informed the Bangladesh Bank(BB) this week about their fund creation, said a high official of the central bank.

<https://www.dhakatribune.com/business/2020/03/12/seven-banks-form-tk1400cr-special-fund-for-stock-market>

### **Dhaka stocks plunge for 3rd week on coronavirus fear**

Dhaka stocks plunged in the past week, stretching the losing streak to the third week, as panic selling intensified among investors with the country reporting its first three coronavirus cases and the World Health Organisation declaring the outbreak as pandemic. DSEX, the key index of the Dhaka Stock Exchange, plunged by 5.81 per cent, or 254.52 points, to close at 4,129.96 points on the last trading session in the past week on Thursday. The DSEX has lost 603 points in the last three weeks.

<https://www.newagebd.net/article/102210/dhaka-stocks-plunge-for-3rd-week-on-coronavirus-fear>

### **Telecom**

#### **BTRC tells NBR it should collect VAT from telcos**

The Bangladesh Telecommunication Regulatory Commission has informed the National Board of Revenue that the telecom regulator would not collect value-added tax from the mobile telephone operators along with their dues. BTRC chairman Md Jahurul Haque in the letter issued on February 17 told revenue board chairman Abu Hena Md Rahmatul Muneem that the decision was taken at a meeting held at the division with posts and telecommunications minister Mustafa Jabbar in the chair.

<https://www.newagebd.net/article/102208/btrc-tells-nbr-it-should-collect-vat-from-telcos>

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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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