

## Bangladesh market snapshot

	Last closing
DSEX Index	4,417.95
% change	-0.04%
DS30 Index	1,498.70
% change	-0.64%
DSES Index	986.47
% change	-0.84%
Turnover (BDT mn)	2,543.83
Turnover (USD mn)	30.28
% change	-9.65%
Market Capitalization (BDT bn)	3,374
Market Capitalization (USD bn)	40.16
% change	-0.19%

Source: Dhaka Stock Exchange

## International market snapshot

	Last closing
Dow Jones Industrial Average	28,239.28
% change	-0.10%
Nikkei 225	23,851.86
% change	-0.34%
FTSE 100	7,540.75
% change	+0.21%

Source: Bloomberg

## Exchange rate

Currency	BDT
USD	84.90
EUR	94.67
GBP	111.49
INR	1.20

Source: Bangladesh Bank

## Money market

Date	Call Money Rate Range	Weighted Average (%)
17-Dec-2019	3.25-5.50	4.92
15-Dec-2019	3.00-5.50	4.52

Source: Bangladesh Bank

## Commodities

	Price	% Change
Brent Crude (Oil), USD/bbl	66.15	-0.03%
Gold Spot, USD/t oz	1,477.94	+0.17%
Cotton, USD/lb	66.82	+0.12%

Source: Bloomberg

## Economy

### 'No plan to devalue Taka'

The government will not devalue the Taka against the US dollar, said Finance Minister AHM Mustafa Kamal. However, they would provide incentives to numerous sectors if required. The Bangladesh Bank has been devaluing the Taka against the US dollar since the last two years. Currently, the central bank is selling the dollar at a rate of 84.90 Taka. In November 2018, the rate was 83.90 Tk. In the last one year, Taka has been devalued by 100 basis points.

<https://tbsnews.net/economy/no-plan-devalue-taka>

### Govt in bank borrowing spree, takes Tk 47,139cr in 5 months

The government has almost exhausted its net borrowing target for the fiscal year of 2019-20 from the banking system in just five months (July-November) with the net borrowing reaching Tk 47,139 crore in the period, leaving a very tiny space for the industrialisation-led job creation. The government has projected to borrow Tk 47,364 crore from the banking sector in the fiscal year. Besides, a slowdown in industrialisation would ultimately increase the number of unemployed people along with social disparity in the country.

<http://www.newagebd.net/article/93958/govt-in-bank-borrowing-sprees-takes-tk-47139cr-in-5-months>

### Japan wants cash incentive for its exporters in EPZs

The Japanese garment factories, which are housed inside Bangladesh's export processing zones (EPZs), should enjoy cash incentives against exports to emerging destinations, said Naoki Ito, newly appointed Japanese ambassador to Bangladesh, yesterday. The apparel companies, which are outside of EPZs, enjoy 4 percent cash incentive on export to non-traditional markets but the Japanese companies are not getting this benefit.

<https://www.thedailystar.net/business/news/japan-wants-cash-incentive-its-exporters-epzs-1842271>

### \$50b export not achievable by 2021: BGMEA president

Bangladesh will not be able to export \$50 billion-worth apparel products by 2021 because of low valuation and declining global trade, according to Rubana Huq, president of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA), yesterday. The target was set in 2014, just one year after the Rana Plaza collapse, but the world market now is going down because of declining trade and consumption. According to World Trade Organisation, the world trade forecast took a downward turn to 1.2 percent for 2019 from a previous 2.6 percent.

<https://www.thedailystar.net/business/news/50b-export-not-achievable-2021-bgmea-president-1842268>

## **Tk200 banknotes arrive in March**

Bangladesh Bank will start circulating the new Tk200 denomination banknotes on March 17 next year to mark the 100th birth anniversary of Father of the Nation Bangabandhu Sheikh Mujibur Rahman.

<https://tbsnews.net/economy/tk200-banknotes-arrive-march>

## **Tobacco**

### **NBR loses revenue as smokers switch cigarette brands**

Collection of value added tax (VAT), which accounts for the lion's share of government revenue, faced major setback in the first quarter as revenue board's strategy to increase earnings from tobacco sector backfired. Smokers are switching cigarette brands from high priced to lower priced after the National Board of Revenue hiked prices of higher tier cigarette brands in June, which caused a loss in revenue collection by the NBR. The revenue board became aware of the strategic error in an internal evaluation of VAT collection situation recently.

<https://www.dhakatribune.com/business/2019/12/18/nbr-loses-revenue-as-smokers-switch-cigarette-brands>

## **Capital market**

### **Govt seeks opinions of central bank, BSEC**

The Ministry of Finance (MoF) has sought opinions from the central bank and the securities regulator on a loan amount of Tk 100 billion (10,000 crore) sought by stock brokers to shore up the moribund stock market. BSEC would give its opinion about the stock market lifeline after discussion in a meeting of the commission. The central bank will fix the structure and conditions of the loan sought by the stock brokers.

<https://today.thefinancialexpress.com.bd/first-page/govt-seeks-opinions-of-central-bank-bsec-1576691634>

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Recommendation Type	Holding period (if not otherwise mentioned)	Absolute Return Potential
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Neutral/ Hold	12 Months	Between +15 % and -5 %
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