

Bangladesh market snapshot

	Last closing
DSEX Index	5,411.40
% change	0.21%
DS30 Index	1,897.81
% change	0.14%
DSES Index	1,235.08
% change	0.23%
Turnover (BDT mn)	5,540.43
Turnover (USD mn)	65.96
% change	4.77%
Market Capitalization (BDT bn)	3,989
Market Capitalization (USD bn)	47.49
% change	0.13%

Source: Dhaka Stock Exchange

International market snapshot

	Last closing
Dow Jones Industrial Average	26,465.54
% change	1.35%
Nikkei 225	21,333.87
% change	1.72%
FTSE 100	7,410.84
% change	-0.43%

Source: Bloomberg

Exchange rate

Currency	BDT
USD	84.50
EUR	94.59
GBP	106.12
INR	1.21

Source: Bangladesh Bank

Money Market

Date	Call Money Rate Range (%)	Weighted Average (%)
18-June-2019	4.00-5.00	4.55
17-June-2019	4.00-5.00	4.56

Source: Bangladesh Bank

Commodities

	Price	% Change
Brent Crude (Oil), USD/bbl	62.65	+1.34%
Gold Spot, USD/t oz	1,381.95	+1.59%
Cotton, USD/lb	67.20	+0.06%

Source: Bloomberg

Economy

ADB: Bangladesh fastest-growing economy in Asia-Pacific

Bangladesh registered the fastest growth rate in the Asia-Pacific economies comprised of 45 countries. In the outgoing FY2018-19, the ADB said Bangladesh attained 7.9% growth which was fastest since 1974. The bank predicted that the growth will be 8% in the FY2019 and FY2020, terming it a new record. The growth will be moderate across most of developing Asia – 5.7% in 2019 and 5.6% in 2020 from 6.2% in 2017 and 5.9% in 2018. South Asia will see buck trend of slowing growth in Asia – 6.8% in 2019 and 6.9% in 2020.

<https://www.dhakatribune.com/business/economy/2019/06/19/adb-bangladesh-fastest-growing-economy-in-asia-pacific>

Inflation up in May

The point-to-point inflation in the month of May last was recorded higher than that of the previous month. It was 5.63 per cent in May compared to 5.58 per cent in April. Inflation rate dropped to 5.35 per cent last December, but it started rising from the month of January. It was recorded lower at 5.57 per cent in May last year.

<https://thefinancialexpress.com.bd/economy/bangladesh/inflation-up-in-may-1560922880>

E-commerce entrepreneurs demand not to impose VAT for five years

E-commerce entrepreneurs on Wednesday urged the government not to impose Value Added Tax (VAT) on their business for the next five years as the sector is yet to get maturity. They also suggested framing a long term fiscal policy for such digital businesses to help avoid confusion.

<http://today.thefinancialexpress.com.bd/trade-market/e-commerce-entrepreneurs-demand-not-to-impose-vat-for-five-years-1560968429>

New VAT system to bring in Tk 11,000cr more

The National Board of Revenue expects to collect about Tk 11,000 crore more for imposition of VAT on various goods and services and increasing rates on many others. It also aims to register Tk 5,000 crore by ensuring use of electronic sales registers -- electronic fiscal device (EFDs), sales data controller (SDC) or point of sales -- by 25 types of businesses, including grocery stores, hotels and restaurants, sweetmeat shops, clothing stores, furniture sellers, jewellers, electronics sellers, and large and medium wholesalers. The NBR's collection target from VAT in the incoming fiscal year is Tk 117,672 crore.

<http://today.thefinancialexpress.com.bd/first-page/initial-delay-dogs-adp-1560010199>

Insurance

Govt to introduce health insurance: PM

The government plans to introduce health insurance to ensure healthcare services for the people. As part of the plan, the government has already started health insurance activities on pilot

basis for the poor communities in Tangail's Madhupur, Ghatail and Kalihati upazilas.

<http://today.thefinancialexpress.com.bd/first-page/govt-to-introduce-health-insurance-pm-1560966896>

Textile

BTMA urges withdrawal of 5.0pc VAT on local yarn

The country's textile millers on Wednesday urged the government to withdraw the proposal to impose 5.0 per cent VAT (value added tax) on local yarn mainly to help the domestic traders retain their competitiveness. They also demanded withdrawal of the proposed 5.0 per cent advance tax on import of textile machinery, spare parts, some raw materials and other elements, arguing that it would discourage investment in the sector. Local millers will have to pay Tk 24 as VAT on the sale of a kilogram of yarn in the local market if the proposed 5.0 per cent VAT on yarn is implemented in the upcoming fiscal year.

<http://today.thefinancialexpress.com.bd/last-page/btma-urges-withdrawal-of-50pc-vat-on-local-yarn-1560967420>

Telecom

BMBA wants govt to lift customs duty on smartphones

The Bangladesh Mobile Phone Business Association (BMBA) has demanded withdrawal of additional 15 per cent customs duty on smartphones proposed in the new budget. In 2018-19 financial year, tax on smartphone was 31.75 per cent but it has been raised to 57.31 per cent in the proposed budget. The BMBA said the amount will be higher than any other country.

<https://thefinancialexpress.com.bd/trade/bmba-wants-govt-to-lift-customs-duty-on-smartphones-1560957684>

Additional duty on smartphones to 'boost illegal imports'

Bangladesh Mobile Phone Business Association (BMBA) has demanded withdrawal of supplementary duty on imported smartphones and requested the government to retain the existing 10 per cent duty. The association at a post budget press conference yesterday said that the duty imposed on smartphones will push up illegal imports and will increase risk to the national security. The trade body said the proposed 25 per cent import duty in the budget for fiscal 2019-20 will not only boost illegal imports also causing big revenue losses of government. The budget for fiscal 2019-20 proposed to hike the supplementary duty on imported smartphones to 25 per cent from existing 10.

<http://www.theindependentbd.com/post/204066>

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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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