

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	23,018.88
% change	-2.67%
Nikkei 225	19,050.33
% change	-1.20%
FTSE 100	5,641.03
% change	-2.96%

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 (%)
07-Apr-2020	5.00-5.00	5.00
06-Apr-2020	5.00-5.00	5.00

Source: Bangladesh Bank

Commodities

	Price	% Change
Brent Crude (Oil), USD/bbl	17.17	-11.17%
Gold Spot, USD/t oz	1,683.03	-0.19%
Cotton, USD/lb	53.22	-0.17%

Source: Bloomberg

Economy

Yet another cut in tax revenue target likely

The government is considering revising further the tax collection target for the current fiscal year (FY2019-20) in view of the impact of coronavirus pandemic on the economy. The ministry of finance had earlier slashed the target by Tk 250 billion for the current fiscal year after sluggish economic activities. The tax revenue collection target for the National Board of Revenue, or NBR, has been set at Tk 3.0 trillion, down from the original goal of Tk 3.25 trillion for ongoing FY. A senior official of the ministry of finance said the target for internal revenue collection might be cut further considering the effects of COVID-19 pandemic.

<https://today.thefinancialexpress.com.bd/first-page/yet-another-cut-in-tax-revenue-target-likely-1587490242>

<https://www.newagebd.net/article/104823/government-may-slash-nbr-revenue-target-after-cutting-tk-25600cr>

Govt to divert unspent ADP funds: Mannan

The government will divert funds from the current development budget to bankroll stimulus packages intended to cushion the economic blow from the coronavirus pandemic, said planning minister MA Mannan. The mega project implementation plans would also be restructured so that some funds could be redirected towards the cash support, rehabilitation and economic recovery work.

<https://today.thefinancialexpress.com.bd/last-page/govt-to-divert-unspent-adp-funds-mannan-1587490836>

Dollar marching high as export, remittance slump

The Bangladesh Bank has resumed selling dollars on the country's financial market due to a shortage of the greenbacks and a rise in the dollar rate as the country's export and remittance earnings slumped amid the global coronavirus pandemic. In March, the country's exports and remittance earnings dropped by 18.29 per cent and 11.83 per cent respectively due to the jolt in the global economy after the outbreak began in China. In the first 13 days of April, remittance inflow dropped to \$332 million from \$518 million in the same period of last year. Bankers said that the situation might worsen as many of the countries including Saudi Arabia, Kuwait and the United Arab Emirates remained locked down due to the coronavirus outbreak.

<https://www.newagebd.net/article/104821/dollar-marching-high-as-export-remittance-slump>

Tk 33 billion lost a day during lockdown: Study

The Bangladesh economy has been haemorrhaging Tk 33 billion a day from its service and agriculture sectors during the nationwide shutdown over the coronavirus outbreak, a study has found. The country racked up losses totalling an estimated Tk 1 trillion in March. The economic losses may exceed Tk 2 trillion, almost 9 per cent of the GDP, if the country remains under lockdown until the

end of May.

<https://today.thefinancialexpress.com.bd/last-page/tk-33-billion-lost-a-day-during-lockdown-study-1587491075>

Fuel and Power

Negative oil price: Govt to stock extra 1.1 lakh tonnes of oil

While the international oil market saw its worst day on Monday as US crude oil price dropped below zero, Bangladesh began preparing to hoard 1.1 lakh tonnes of oil to take advantage of the situation. This extra oil is good enough for 10 days of consumption by the nation in a normal situation. The government's storage system allows saving 13 lakh tonnes of oil. Due to the sharp drop in domestic consumption and continuous import, this storage is currently full. So, the BPC looked at private storage facilities. However, the BPC is not yet clear about how much oil can be stored with all these facilities.

<https://tbsnews.net/bangladesh/energy/negative-oil-price-govt-hoard-extra-11-lakh-tonnes-oil-72214>

Textile

Restore facility from Tk 5,000cr package, BTMA urges govt

The Bangladesh Textile Mills Association on Tuesday demanded that the government reinstate the facility for financial assistance for export-oriented textile mills from the stimulus package worth TK 5,000 crore for the payment of workers' wages after the finance ministry through a directive on Sunday excluded the sector from the fund.

<https://www.newagebd.net/article/104822/restore-facility-from-tk-5000cr-package-btma-urges-govt>

Food and Allied

Ice cream industry melting on a rumour

The peak season for the Tk 1,500 crore ice cream industry ranges from March to June, which are basically the scorching summer months. The countrywide shutdown since March 26 has pounded almost all sectors of the economy more or less, but the ice cream, it appears, has been a victim of a cruel joke on top. A rumour was spread on social media quoting the United Nations Children's Fund that ice cream consumption would lead to catching coronavirus. Igloo, the market leader with 42 per cent shares, lost its probable sales of about Tk 150 crore in the last few days, which is the peak season for ice cream. Then the second blow came when the government announced the shutdown because about 60 per cent of the ice cream sales take place in the streets.

<https://www.thedailystar.net/business/news/ice-cream-industry-melting-rumour-1895527>

Stocks

GP seeks extra spectrum at discounted price

Grameenphone has sought additional spectrum for an interim period to offer better internet services as their network has become busier for a surge in data usage amid the coronavirus-induced lockdown. Three other

operators have also sought additional spectrum from the regulator, albeit free of cost, but Grameenphone wants to either pay a discounted price or share revenue with the government. The BTRC has shared the operators' proposals with Telecom Minister Mustafa Jabbar and a decision needs to come from the government.

<https://www.thedailystar.net/business/news/gp-seeks-extra-spectrum-discounted-price-1895533>

GP approves 130pc cash dividend

The Board of Directors of Grameenphone Ltd announced a final dividend for the year 2019 in cash at the rate of 40% of the paid-up capital, or BDT 4.0 per share of BDT 10 each. With this cash dividend pay-out, the total cash dividend stands at 130% of the paid-up capital, including the previous 90% interim cash dividend pay-out, amounting to 50.86% of Profit After Tax for the year 2019.

<https://today.thefinancialexpress.com.bd/stock-corporate/gp-approves-130pc-cash-dividend-1587482566>

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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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